

CRS Report for Congress

Labor, Health and Human Services, and Education: FY2008 Appropriations

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Committees of Congress

The annual consideration of appropriations bills (regular, continuing, and supplemental) by Congress is part of a complex set of budget processes that also encompasses the consideration of budget resolutions, revenue and debt-limit legislation, other spending measures, and reconciliation bills. In addition, the operation of programs and the spending of appropriated funds are subject to constraints established in authorizing statutes. Congressional action on the budget for a fiscal year usually begins following the submission of the President's budget at the beginning of each annual session of Congress. Congressional practices governing the consideration of appropriations and other budgetary measures are rooted in the Constitution, the standing rules of the House and Senate, and statutes, such as the Congressional Budget and Impoundment Control Act of 1974.

This report is a guide to one of the 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, Education, and Related Agencies. It summarizes the status of the bill, its scope, major issues, funding levels, and related congressional activity, and is updated as events warrant. The report lists the key CRS staff relevant to the issues covered and related CRS products.

NOTE: A Web version of this document with active links is available to congressional staff at [http://apps.crs.gov/cli/cli.aspx?PRDS_CLI_ITEM_ID=2347&from=3&fromId=73].

Labor, Health and Human Services, and Education: FY2008 Appropriations

Summary

This report tracks FY2008 appropriations for the Departments of Labor, Health and Human Services, Education, and Related Agencies (L-HHS-ED). This legislation provides discretionary funds for three major federal departments and 14 related agencies. The report, which will be updated, summarizes L-HHS-ED discretionary funding issues but not authorization or entitlement issues.

On February 5, 2007, the President submitted the FY2008 budget request to Congress, including \$141.7 billion in discretionary L-HHS-ED funds. The comparable FY2007 amount was \$144.7 billion, enacted through the Revised Continuing Appropriations Resolution, 2007 (**P.L. 110-5, H.J.Res. 20**), which was signed into law on February 15, 2007. The Senate Appropriations Committee reported its FY2008 L-HHS-ED bill (S. 1710, S.Rept. 110-107) on June 27, 2007; provisions of that bill will be reflected in the next update to this report.

Department of Labor (DOL). DOL discretionary appropriations were \$11.7 billion in FY2007. The President's budget request for FY2008 was \$11.0 billion. FY2008 funding for Training and Employment Services Programs (e.g., Dislocated Worker Assistance and the Job Corps) would be reduced by \$640 million.

Department of Health and Human Services (HHS). HHS discretionary appropriations were \$64.0 billion in FY2007; \$63.2 billion was requested for FY2008. Funding would be increased by \$1.15 billion for the Public Health and Social Services Emergency Fund, covering homeland security activities and Pandemic Influenza Preparedness. Increases of \$183 million and \$133 million were requested for two Medicare/Medicaid management activities. Decreases of \$187 million for the Children's Hospitals Graduate Medical Education program, \$143 million for Rural Health Programs, \$378 million for the National Institutes of Health, \$379 million for the Low-Income Home Energy Assistance Program (LIHEAP), and \$100 million for Head Start were requested. The \$630 million Community Services Block Grant (CSBG) would be eliminated.

Department of Education (ED). ED discretionary appropriations were \$57.5 billion in FY2007; \$56.2 billion was requested for FY2008. Funding would be increased for Elementary and Secondary Education Act (ESEA) programs by \$995 million in the aggregate, and six new education programs, including \$250 million for Promise Scholarships, were proposed. Decreases of \$247 million for Safe and Drug-Free Schools State Grants, \$291 million for Special Education Part B Grants to States, and \$686 million for Perkins Career and Technical Education were requested. Funding would be eliminated for the \$272 million Educational Technology State Grants and the \$771 million Federal Supplemental Opportunity Grants.

Related Agencies. Discretionary appropriations for L-HHS-ED related agencies were \$11.5 billion in FY2007; \$11.7 billion was requested for FY2008. Two-year advance funding for the Corporation for Public Broadcasting (CPB) would be eliminated.

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Head Start	Melinda Gish	7-4618
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Older Americans Act	Angela Napili	7-0135
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Substance Abuse and Mental Health Services	Ramya Sundararaman	7-7285
Temporary Assistance for Needy Families (TANF)	Gene Falk	7-7344
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Charter schools	David Smole	7-0624
College costs and prices	Rebecca R. Skinner	7-6600
Education block grants	Rebecca R. Skinner	7-6600
Education for the Disadvantaged, Title I	Wayne C. Riddle	7-7382
Education technology	Rebecca R. Skinner	7-6600
English language acquisition	Rebecca R. Skinner	7-6600
Higher education	Adam Stoll	7-4375
Impact Aid	Rebecca R. Skinner	7-6600
Indian education	Roger Walke	7-8641
Pell Grants	Charmaine Mercer	7-4894
Reading programs	Gail McCallion	7-7758
Rehabilitation Act	Scott Szymendera	7-0014
Safe and Drug-Free Schools and Communities	Gail McCallion	7-7758
Special education, IDEA	Richard N. Apling	7-7352
Special education, IDEA, legal issues	Nancy Lee Jones	7-6976
Special education, IDEA, state grants	Ann Lordeman	7-2323
Student aid/need analysis	Adam Stoll	7-4375
Student aid/need analysis	Charmaine Mercer	7-4894
Student loans	Adam Stoll	7-4375
Teacher recruitment, preparation, and training	Jeffrey J. Kuenzi	7-8645
21 st Century Community Learning Centers	Gail McCallion	7-7758
Related Agencies		
Corporation for National and Community Service (VISTA, Senior Corps, AmeriCorps)	Ann Lordeman	7-2323
Corporation for Public Broadcasting	Glenn J. McLoughlin	7-7073
Institute of Museum and Library Services	Gail McCallion	7-7758
National Labor Relations Board	Gerald Mayer	7-7815
National Labor Relations Board, legal issues	Jon O. Shimabukuro	7-7990
Railroad Retirement Board	Kathleen Romig	7-3742
Social Security Administration	Dawn Nuschler	7-6283
Supplemental Security Income (SSI)	Scott Szymendera	7-0014

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Labor, Health and Human Services, and Education: FY2008 Appropriations

Most Recent Developments

Senate Bill S. 1710 Reported. On June 27, 2007, the Senate Committee on Appropriations reported S. 1710 (S.Rept. 110-107), its proposal for FY2008 appropriations for the Departments of Labor, Health and Human Services, Education, and Related Agencies (L-HHS-ED). The bill would provide \$149.2 billion in discretionary funds for L-HHS-ED. Provisions of the bill as reported will be covered in the next update to this report.

House Subcommittee Markup. On June 7, 2007, the House L-HHS-ED Appropriations Subcommittee marked up its draft bill and approved it for consideration by the full committee.

President's Budget Submitted. On February 5, 2007, the President submitted the FY2008 budget to Congress; the request was for \$141.7 billion in discretionary funds for L-HHS-ED programs.

Table 1 summarizes the legislative status of FY2008 L-HHS-ED appropriations.

Table 1. Legislative Status of L-HHS-ED Appropriations, FY2008

Subcommittee Markup		House Report	House Passage	S. 1710, S.Rept. 110-107	Senate Passage	Conf. Rept.	Conference Report Approval		Public Law
House	Senate						House Passage	Senate Passage	
6/07/07 (a)	6/19/07 (b)			6/27/07 (c)					

- The House Subcommittee on Labor, Health and Human Services, Education, and Related Agencies Appropriations began FY2008 hearings on Feb. 15, 2007. The Subcommittee marked up its version of the FY2008 L-HHS-ED appropriations on June 7, 2007, approving it by a voice vote.
- The Senate Subcommittee on Labor, Health and Human Services, Education, and Related Agencies Appropriations began FY2008 hearings on Mar. 14, 2007. The Subcommittee marked up its version of the FY2008 L-HHS-ED bill on June 19, 2007, and approved it by voice vote.
- S. 1710: The Senate Committee on Appropriations approved the draft L-HHS-ED bill with a manager's amendment on June 21, 2007, by a vote of 26 to 3, and ordered the bill reported. Subsequently, S. 1710 (S.Rept. 110-107) was introduced and reported on June 27, 2007.

Note on Most Recent Data. In this report, unless stated otherwise, data on FY2007 appropriations and FY2008 appropriations proposals are based on the April 17, 2007, table of the House Committee on Appropriations. In most cases, data represent net funding for specific programs and activities, and take into account

current and forward funding and advance appropriations; however, all data are subject to additional budgetary scorekeeping. Except where noted, data refer only to those programs within the purview of L-HHS-ED appropriations, and not to all programs within the jurisdiction of the relevant departments and agencies. Funding from other appropriations bills, and entitlements funded outside of the annual appropriations process, are excluded.

The FY2007 data reflect the funding provided under the terms of the Revised Continuing Appropriations Resolution, 2007 (**P.L. 110-5, H.J.Res. 20**), which was signed into law on February 15, 2007. A series of continuing resolutions (CRs), beginning with **P.L. 109-289**, had provided temporary L-HHS-ED funding from October 1, 2006, through February 15, 2007. The final CR provided specific levels of funding for FY2007 for some agencies and programs, while those activities not specifically listed were generally funded at FY2006 levels. In addition, agencies received funding for a portion of their increased pay costs. Final funding levels became known in late March 2007 after the Office of Management and Budget and the agencies had worked out their spending plans for FY2007 and conveyed the information to Congress. Subsequently, and not yet reflected in this report, Congress passed an FY2007 supplemental appropriations act, **P.L. 110-28**, the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, signed into law on May 25, 2007. The law has a few provisions that affect FY2007 funding levels for some L-HHS-ED agencies.

For additional information, please see CRS Report RL30343, *Continuing Resolutions: FY2007 Action and Brief Overview of Recent Practices*, by Sandy Streeter.

Overview and Key Issues

This report describes the President's proposal for FY2008 appropriations for L-HHS-ED programs, as submitted to Congress on February 5, 2007; subsequent updates will also describe the congressional response to that proposal. It compares the President's FY2008 request to the FY2007 L-HHS-ED amounts. The report is designed to track legislative action and congressional issues related to the L-HHS-ED appropriations bill, with particular attention paid to discretionary programs. However, the report does not follow specific funding issues related to mandatory L-HHS-ED programs — such as Medicare or Social Security — nor does it follow any authorizing legislation that may be needed prior to funding some of the President's budget initiatives. For a glossary of budget terms and relevant websites, see **Appendix A**, "Terminology and Web Resources."

The L-HHS-ED bill typically is one of the more controversial of the regular appropriations 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 issues, such as restrictions on the use of federal funds for abortion, stem cell research, and human cloning. This bill provides discretionary funds for three federal departments and 14 related agencies including the Social Security Administration (SSA).

Among the various appropriations bills, L-HHS-ED is the largest single source of discretionary funds for non-defense federal programs (the Department of Defense bill is the largest source of discretionary funds among all federal programs). This section summarizes major funding changes proposed for L-HHS-ED and related issues such as 302(b) allocations and advance appropriations. Later sections provide details on individual L-HHS-ED departments and agencies.

Program Level and Current Year Appropriations

Table 2 summarizes the L-HHS-ED appropriations for FY2008, including both discretionary and mandatory appropriations. The table shows various aggregate measures of L-HHS-ED appropriations enacted for FY2007 and proposed for FY2008, including the discretionary program level, current year level, and advance appropriations. Scorekeeping adjustments are omitted.

Table 2. L-HHS-ED Appropriations Summary, FY2007-FY2008
(dollars in billions)

Type of budget authority	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
Discretionary appropriations					
Program level: current bill for any year	\$144.7	\$141.7			
Current year: current year from any bill	144.7	142.1			
Advances for future years (from the current bill)	19.3	18.9			
Advances from prior years (from previous bills)	19.3	19.3			
Current year discretionary and mandatory funding					
Discretionary	144.7	142.1			
Mandatory	401.2	455.5			
Total current year	545.9	597.6			
Grand total of funding for L-HHS-ED bill, any year					
Grand total any year	\$554.0	\$597.2			

Source: Amounts are based on the April 17, 2007, table of the House Committee on Appropriations. FY2007 amounts reflect the funding provided under P.L. 110-5, Revised Continuing Appropriations Resolution, 2007. They do not yet include FY2007 supplemental appropriations and rescissions. Appropriations are given only for programs included in the annual L-HHS-ED bill.

Note: Both FY2007 and FY2008 mandatory amounts are estimates that are subject to adjustments after the close of their respective fiscal years. All amounts in the table are subject to change through the enactment of further supplementals and rescissions for FY2007.

- **Program level appropriations** reflect the total discretionary appropriations in a given bill, regardless of the year in which they will be spent, and therefore include advance funding for future years.

Unless otherwise specified, proposed FY2008 appropriations levels in this report refer to program level amounts.

- **Current year appropriations** represent discretionary appropriations in a given bill for the current year, plus discretionary appropriations for the current year that were enacted in prior years — for example, FY2007 appropriations that were enacted in the FY2006 act. Current year discretionary appropriations are similar to the amount counted for the 302(b) allocation ceilings (discussed later in this report).
- **Advance appropriations** are funds that will not become available until after the fiscal year for which the appropriations are enacted (for example, funds for certain education programs like Title I Part A Grants to Local Educational Agencies for the Education of the Disadvantaged that were included in the FY2007 act that cannot be spent before FY2008 at the earliest, discussed later in this report).
- **Scorekeeping adjustments**, which are made to account for special funding situations as monitored by the Congressional Budget Office (CBO), are not reflected in this table.

Because appropriations may consist of mixtures of budget authority enacted in various years, two summary measures are frequently used — program level appropriations and current year appropriations. How are these measures related? For an “operational definition,” program level funding equals (a) current year, plus (b) advances for future years, minus (c) advances from prior years. **Table 2** shows each of these amounts, along with current year funding for mandatory programs and the grand total for L-HHS-ED.

President’s Request

On February 5, 2007, the President’s FY2008 request was submitted to Congress, prior to completion of the FY2007 appropriations process. With regard to the President’s budget, the primary issues raised during congressional consideration of any appropriations request generally relate to proposed funding changes, as well as to the overall level of support for programs. The following summary highlights changes of at least \$100 million proposed in FY2008 discretionary budget authority in comparison with the FY2007 amount. Viewing this list by itself should be done with caution, since the relative impact of a \$100 million funding change to a \$500 million program (a 20% increase or decrease) is greater than a \$100 million change to a \$5 billion program (a 2% increase or decrease). Later in this report, the discussion of budgets for individual departments includes tables to compare the FY2008 request with the FY2007 funding for many of the major programs in the L-HHS-ED bill.

Budget Highlights. Overall, \$141.7 billion in discretionary appropriations was requested for L-HHS-ED for FY2008, \$3.0 billion (2.1%) less than the FY2007 amount of \$144.7 billion.

- For the Department of Labor (DOL), the FY2008 request included a decrease of \$640 million for Training Employment Service programs, including \$152 million less for Workforce Investment Act

(WIA) Adult Training grants to states, \$100 million less for WIA Youth Training, and \$357 million less for WIA Dislocated Worker Assistance. A decrease of \$134 million was proposed for the Community Service Employment for Older Americans program. Overall, \$11.0 billion in FY2008 discretionary appropriations was requested for DOL, a 6.2% reduction from the FY2007 amount of \$11.7 billion.

- For the Department of Health and Human Services (HHS), the FY2008 request proposed an increase of \$1.15 billion for the Public Health and Social Services Emergency Fund (PHSSEF), covering homeland security activities and Pandemic Influenza Preparedness. Decreases were proposed of \$174 million for Health Professions programs other than those for nursing, \$187 million for Children's Hospitals Graduate Medical Education (CHGME), \$143 million for Rural Health Programs, \$114 million for Buildings and Facilities at the Centers for Disease Control and Prevention (CDC), and \$378 million for the National Institutes of Health (NIH). A \$183 million initiative for Fraud and Abuse Control at the Centers for Medicare and Medicaid Services (CMS) was proposed, along with a \$133 million increase for CMS Program Management. Decreases of \$379 million for the Low-Income Home Energy Assistance Program (LIHEAP) and \$100 million for Head Start were requested. The \$630 million Community Services Block Grant (CSBG) would be eliminated. Overall, \$63.2 billion in FY2008 discretionary appropriations was requested for HHS, 1.3% less than the FY2007 amount of \$64.0 billion.
- For the Department of Education (ED), the FY2008 request proposed an increase of \$995 million for Elementary and Secondary Education Act of 1965 (ESEA) programs in the aggregate. It proposed three K-12 education initiatives of at least \$100 million, including \$250 million for Promise Scholarships. School Improvement Grants would be increased by \$375 million, and the Teacher Incentive Fund would be increased by \$199 million. The request proposed the elimination of the \$272 million Educational Technology State Grants under the ESEA, and, under the Higher Education Act (HEA), the \$771 million Supplemental Educational Opportunity Grants. A decrease of \$291 was requested for the Special Education Part B Grants to States program under the Individuals with Disabilities Education Act (IDEA). A decrease of \$247 million was requested for the Safe and Drug-Free Schools State Grants, and a decrease of \$686 million was requested for the Perkins Career and Technical Education program. The Fund for the Improvement of Education would be reduced by \$100 million, and the Pell Grants program would be reduced by \$247 million. Overall, \$56.2 billion in FY2008 discretionary appropriations was requested for ED, 2.2% less than the FY2007 amount of \$57.5 billion.
- For the related agencies, the FY2008 budget proposed to eliminate the two-year advance appropriations for the Corporation for Public Broadcasting (CPB), which was provided with a two-year advance appropriation of \$400 million in the FY2007 bill.

Major Discretionary Programs, FY2007-FY2008

Table 3 shows the L-HHS-ED discretionary programs with the highest funding levels in FY2007; eight programs accounted for at least 60% of all L-HHS-ED discretionary appropriations. Each of the programs shown in **Table 3** received more than \$3.0 billion in FY2007, and the aggregate funding for this group was \$87.8 billion. As previously shown in **Table 2**, L-HHS-ED discretionary funding totaled \$144.7 billion in FY2007. For FY2008, under the budget request these eight programs still account for more than 60% of the discretionary appropriations for L-HHS-ED programs.

Table 3. Major Discretionary Programs, FY2007-FY2008

(dollars in millions)

Major Program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
National Institutes of Health (NIH)	\$28,999	\$28,621			
Pell Grants	13,661	13,414			
Title I Part A Education for the Disadvantaged, Grants to LEAs	12,838	13,910			
IDEA Special Education, Part B Grants to States	10,783	10,492			
Head Start	6,889	6,789			
SSA Administrative Expenses	6,345	6,614			
WIA, all programs	5,135	4,494			
CMS Program Management	3,141	3,274			
Major L-HHS-ED subtotal	87,791	87,608			
Other L-HHS-ED discretionary	56,932	54,102			
L-HHS-ED discretionary total	144,723	141,710			
Major programs as a % of total	60.7%	61.8%			

Source: Amounts are based on the April 17, 2007, table of the House Committee on Appropriations. FY2007 amounts reflect the funding provided under P.L. 110-5, Revised Continuing Appropriations Resolution, 2007. They do not yet include FY2007 supplemental appropriations and rescissions.

302(a) and 302(b) Allocation Ceilings

The maximum budget authority for annual L-HHS-ED appropriations is determined through a two-stage congressional budget process. In the first stage, Congress establishes the *302(a) allocations* — the maximum spending totals for Congress for a given fiscal year. This task is sometimes accomplished through the concurrent resolution on the budget, where spending totals are specified through the statement of managers in the conference report. In years when the House and Senate do not reach a budget agreement, these totals may be set through leadership arrangements in each chamber. The 302(a) allocations determine spending totals for each of the various committees, as well as the total discretionary budget authority available for enactment in annual appropriations through the House and Senate Committees on Appropriations.

Congress reached agreement on the FY2008 budget resolution on May 17, 2007, when the House and Senate agreed to the conference report (H.Rept. 109-153) to S.Con.Res. 21. The resolution established a 302(a) discretionary budget allocation of \$953.1 billion. For the purpose of comparison, the 302(a) discretionary allocation agreed to for FY2007 was \$872.8 billion. For additional information, please see CRS Report RL33291, *Congressional Budget Actions in 2007*, by Bill Heniff Jr.

In the second stage of the annual congressional budget process, the House and Senate Committees on Appropriations separately establish the 302(b) allocations — the maximum discretionary budget authority available to each subcommittee for each annual appropriations bill. The total of these allocations must not exceed the 302(a) discretionary total. This process creates the basis for enforcing discretionary budget discipline, since any appropriations bill reported with a total above the ceiling is subject to a point of order. The 302(b) allocations can and often do get adjusted during the year as the various appropriations bills progress toward final enactment. **Table 4** shows the 302(b) discretionary allocations for the FY2008 L-HHS-ED appropriations determined by the House and Senate Committees on Appropriations. Comparable amounts for the FY2007 appropriations and the President’s FY2008 budget request are also shown. Both the 302(a) and 302(b) allocations regularly become contested issues in their own right.

Table 4. FY2008 302(b) Discretionary Allocations
(budget authority in billions of dollars)

FY2007 comparable	FY2008 request comparable	FY2008 House allocation	FY2008 Senate allocation	FY2008 enacted comparable
\$144.5	\$140.3	\$151.1	\$149.2	

Sources: The FY2008 House allocation is based on H.Rept. 110-212, June 26, 2007; the FY2008 Senate allocation is based on S.Rept. 110-87, June 19, 2007. The comparable amounts for FY2007 budget authority and the FY2008 budget request are taken from Congressional Quarterly, *CQ Today*, June 15, 2007, table on “Senate Appropriations Committee Allocations,” with a source note which states, “This chart includes Senate calculations of the enacted levels for fiscal 2007 and the President’s fiscal 2008 request, which in some cases vary slightly from the House calculations.” The April 17, 2007, table of the House Committee on Appropriations did not provide figures for the comparable 302(b) allocations for FY2007 or the FY2008 request.

Advance Appropriations

Advance appropriations occur when funds enacted in one fiscal year are not available for obligation until a subsequent fiscal year. For example, P.L. 109-149, which enacted FY2006 L-HHS-ED appropriations, provided \$400 million for the Corporation for Public Broadcasting (CPB) for use in FY2008. Advance appropriations may be used to meet several objectives. These might include the provision of long-term budget information to recipients, such as state and local educational systems, to enable better planning of future program activities and personnel levels. The more contentious aspect of advance appropriations, however, involves how they are counted in budget ceilings.

Advance appropriations avoid the 302(a) and 302(b) allocation ceilings for the current year, but must be counted in the year in which they first become available for obligation. This procedure uses up ahead of time part of what will be counted against the allocation ceiling in future years. In FY2002, the President's budget proposed the elimination of advance appropriations for federal discretionary programs, including those for L-HHS-ED programs. Congress rejected that proposal, and the proposal has not been repeated. For an example of the impact of advance appropriations on program administration, see the discussion titled "Forward Funding and Advance Appropriations," later in this report.

The FY1999 and FY2000 annual L-HHS-ED appropriations bills provided significant increases in advance appropriations for discretionary programs. Following FY2000, advanced appropriations generally have been provided at \$19.3 billion, with the exceptions of \$18.8 billion in FY2001 and \$21.5 billion in FY2003. At \$19.3 billion, advance appropriations accounted for 13.3% of the L-HHS-ED current year discretionary total of \$144.7 billion in FY2007. For FY2008, the President requested \$18.9 billion in advance appropriations for L-HHS-ED.

From FY1998 to the present, advance appropriations included in L-HHS-ED bills have been as follows:

- FY1998, \$4.0 billion;
- FY1999, \$8.9 billion;
- FY2000, \$19.0 billion;
- FY2001, \$18.8 billion;
- FY2002, \$19.3 billion;
- FY2003, \$21.5 billion;
- FY2004, \$19.3 billion;
- FY2005, \$19.3 billion;
- FY2006, \$19.3 billion;
- FY2007, \$19.3 billion; and
- FY2008, President's budget request, \$18.9 billion.

Major Funding Trends

The L-HHS-ED appropriations bills include both 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. Typically, these changes are accomplished through authorizing committees by means of reconciliation legislation, and not through appropriations committees in annual appropriations bills.

Table 5 shows the trend in discretionary budget authority enacted in the L-HHS-ED appropriations for FY2002 through FY2007. During the past six years, L-HHS-ED discretionary funds have grown from \$127.2 billion in FY2002 to an estimated \$144.7 billion in FY2007, an increase of \$17.5 billion, or 13.8%. During this same period — and using the Gross Domestic Product (GDP) deflator to adjust for inflation — L-HHS-ED discretionary funds in estimated FY2007 dollars have dropped from \$145.0 billion in FY2002 to \$144.7 billion in FY2007, a decrease of \$0.3 billion, or 0.2%.

Table 5. Discretionary Funding Trends, FY2002-FY2007

(budget authority in billions of dollars)

Type of funds	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007 estimate
L-HHS-ED discretionary	\$127.2	\$132.4	\$139.7	\$143.4	\$141.5	\$144.7
L-HHS-ED discretionary in estimated FY2007 dollars	\$145.0	\$147.9	\$152.2	\$151.6	\$145.1	\$144.7
GDP deflator (FY2000=1.0)	1.0432	1.0643	1.0918	1.1251	1.1598	1.1892

Sources: The GDP deflator is based on the Budget of the United States Government, Historical Tables, Fiscal Year 2008, Table 10.1. L-HHS-ED totals for FY2002-FY2005 discretionary budget authority are based on annual conference reports for L-HHS-ED appropriations, and therefore may not be completely comparable from year to year. FY2006 and FY2007 L-HHS-ED discretionary totals are based on the April 17, 2007 table of the House Committee on Appropriations.

Department of Labor

FY2007 discretionary appropriations for the Department of Labor (DOL) were \$11.7 billion. For FY2008, the budget request is \$11.0 billion, \$0.7 billion (6.2%) less than the FY2007 amount, as shown in **Table 6**.

Table 6. Department of Labor Discretionary Appropriations

(\$ in billions)

Funding	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
Appropriations	\$11.7	\$11.0			

Source: Amounts are based on the April 17, 2007 table of the House Committee on Appropriations. Amounts represent discretionary programs funded by L-HHS-ED appropriations; funds for mandatory programs are excluded.

Mandatory DOL programs included in the Revised Continuing Appropriations Resolution, 2007 (P.L.110-5) were funded at \$3.0 billion, and consist of the Black Lung Disability Trust Fund (\$1,070 million), Federal Unemployment Benefits and Allowances (\$838 million), Advances to the Unemployment Insurance and Other Trust Funds (\$465 million), Special Benefits for Disabled Coal Miners (\$297 million), Employment Standards Administration (ESA) Special Benefits (\$227 million), and Energy Employees Occupational Illness Compensation Fund (\$102 million).

Key Issues

President's Request. The President's FY2008 current law budget request for DOL proposed changes in funding for a number of activities. Proposed discretionary changes of at least \$100 million compared to FY2007 appropriations were as follows:

- Training and Employment Services programs, funded in the aggregate at \$5.1 billion in FY2007, would be decreased by \$640 million under the President's FY2008 budget request.
- WIA Adult Training grants to states, funded at \$864 million in FY2007, would be reduced by \$152 million.
- WIA Youth Training, funded at \$941 million in FY2007, would be reduced by \$100 million.
- The WIA Dislocated Worker Assistance programs, funded at \$1.5 billion in FY2007, would be decreased by \$357 million in FY2008, including a decrease of \$298 million for state grants.¹
- Community Service Employment for Older Americans would be reduced by \$134 million, from \$484 to \$350 million.

CRS Products

CRS Report RL33754, *Minimum Wage in the 110th Congress*, by William G. Whittaker.

CRS Report RL33362, *Unemployment Insurance: Available Unemployment Benefits and Legislative Activity*, by Julie M. Whittaker.

Websites

Department of Labor

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

[http://www.dol.gov/_sec/Budget2008/overview.htm]

[<http://www.doleta.gov/budget/08bud.cfm>]

Detailed Appropriations Table

Table 7 shows the appropriations details for offices and major programs of DOL.

¹ Appropriations for FY2007 set aside \$125 million from the Dislocated Worker Assistance National Reserve program for the Community College initiative. The President requested \$150 million in direct appropriations for Community College grants.

Table 7. Detailed Department of Labor Appropriations
(\$ in millions)

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
<i>Total Workforce Investment Act, Title I (WIA) (non-add)</i>	\$5,135	\$4,494			
<i>Employment and Training Administration (ETA)</i>					
Training and Employment Services (TES), WIA Adult Training Grants to States	864	712			
WIA Youth Training	941	841			
WIA Dislocated Worker Assistance (DWA)	1,472	1,115			
<i>DWA State Grants (non-add)</i>	<i>1,190</i>	<i>892</i>			
<i>DWA National Reserve Community College initiative set aside (non-add) (a)</i>	<i>125</i>	<i>0</i>			
<i>DWA National Reserve, other (non-add) (a)</i>	<i>157</i>	<i>223</i>			
WIA Migrant and Seasonal Farmworkers	80	0			
WIA Job Corps	1,578	1,522			
WIA Community College Grants (Community-Based Job Training) (a)	0	150			
Other WIA and TES Activities	200	155			
TES subtotal	5,135	4,494			
Community Service Employment for Older Americans	484	350			
Federal Unemployment Benefits and Allowances (mandatory)	838	889			
State Unemployment Insurance and Employment Service Operations (SUI/ESO) Unemployment Compensation	2,508	2,561			
SUI/ESO Employment Service	749	722			
<i>SUI/ESO Employment Service State Grants (non-add)</i>	<i>716</i>	<i>689</i>			
SUI/ESO One-Stop Career Centers	64	56			
SUI/ESO Work Incentives Grants	20	0			
SUI/ESO subtotal	3,340	3,339			
Advances to Unemployment Trust Fund and other funds (mandatory)	465	437			
ETA Program Administration	200	216			
ETA subtotal	10,461	9,725			
Employee Benefits Security Administration	142	147			
Pension Benefit Guaranty Corporation (PBGC) Administration	0	0			
<i>PBGC program level (non-add)</i>	<i>405</i>	<i>411</i>			

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
<i>Employment Standards Administration (ESA)</i>					
ESA Salaries and Expenses	421	448			
ESA Special Benefits (mandatory)	227	203			
ESA Special Benefits for Disabled Coal Miners (mandatory)	297	270			
ESA Energy Employees Occupational Illness Compensation Fund (mandatory)	102	105			
ESA Black Lung Disability Trust Fund (mandatory)	1,070	1,068			
ESA subtotal	2,117	2,094			
Occupational Safety and Health Administration (OSHA)	487	490			
Mine Safety and Health Administration (MSHA)	302	313			
Bureau of Labor Statistics	548	574			
Office of Disability Employment Policy	28	19			
<i>Departmental Management</i>					
International Labor Affairs	73	14			
Veterans Employment and Training	223	228			
Departmental Management, other	299	319			
Departmental Management subtotal	595	561			
Working Capital Fund	6	12			
TOTALS, DEPARTMENT OF LABOR					
Total appropriations (b)	14,685	13,936			
Current year funding	12,154	11,411			
One-year advance funding	2,531	2,525			

Source: Amounts are based on the April 17, 2007, table of the House Committee on Appropriations.

- a. The WIA community college initiative (i.e., Community-Based Job Training program) was funded at \$125 million in FY2007 from Dislocated Worker Assistance National Reserve funds. The President's budget request for FY2008 would provide direct appropriations of \$150 million. To reflect this difference, in **Table 7** the program is shown on two lines.
- b. Appropriations totals include discretionary and mandatory funds, and may be subject to additional scorekeeping and other adjustments.

Department of Health and Human Services

FY2007 discretionary appropriations for the Department of Health and Human Services (HHS) were \$64.0 billion. For FY2008, the budget request was \$63.2 billion, \$846 million (1.3%) less than the FY2007 amount, as shown in **Table 8**.

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

Funding	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
Appropriations	\$64.0	\$63.2			

Source: Amounts are based on the April 17, 2007 table of the House Committee on Appropriations; they do not yet include FY2007 supplemental appropriations. Amounts represent discretionary programs funded by L-HHS-ED appropriations; funds for mandatory programs are excluded, as are funds for the Food and Drug Administration (FDA) and the Indian Health Service (IHS). FDA and IHS are both agencies of HHS, but they are funded through other appropriations bills.

Mandatory HHS programs included in the L-HHS-ED bill were funded at \$358.1 billion in FY2007, and consist primarily of Medicaid Grants to States (\$170.7 billion), Payments to Medicare Trust Funds (\$176.3 billion, including both Part B Supplementary Medical Insurance and Part D Prescription Drugs), Foster Care and Adoption (\$6.7 billion), Family Support Payments to States (\$4.3 billion), and the Social Services Block Grant (\$1.7 billion).

Key Issues

President's Request. The President's FY2008 budget request for HHS proposed increased support for the Public Health and Social Services Emergency Fund (PHSSEF), and for program management and a fraud control initiative for the administration of Medicare and Medicaid. At the same time, it proposed overall funding reductions for health resources and services, disease control and prevention, medical research, substance abuse and prevention, programs for children and families, and services for the aging. Not all programs in each category were decreased; selected programs in most of the categories were requested for increases. Requests for major changes are indicated below.

Discretionary spending changes of at least \$100 million were requested in the President's FY2008 budget for several HHS programs, as follows.

- Health Professions programs other than those for nursing, funded at \$184 million in FY2007, would be decreased by \$174 million to \$10 million.
- Children's Hospitals Graduate Medical Education, funded at \$297 million in FY2007, would be reduced by \$187 million to \$110 million.
- Rural Health Programs, funded at \$168 million in FY2007, would be reduced by \$143 million to \$25 million.
- Buildings and Facilities at the Centers for Disease Control and Prevention (CDC), funded at \$134 million in FY2007, would be reduced by \$114 million to \$20 million.
- The National Institutes of Health (NIH), funded at \$29.0 billion in FY2007, would be reduced by \$378 million to \$28.62 billion.
- At the Centers for Medicare and Medicaid Services (CMS), a Fraud and Abuse Control initiative would be funded at \$183 million, while

CMS Program Management would be increased by \$133 million, from \$3.14 billion in FY2007 to \$3.27 billion.

- The Low-Income Home Energy Assistance Program (LIHEAP), funded at \$2.16 billion in FY2007, would be decreased by \$379 million to \$1.78 billion.
- Head Start, funded at \$6.89 billion in FY2007, would be decreased by \$100 million to \$6.79 billion.
- The Community Services Block Grant (CSBG), funded at \$630 million in FY2007, would be eliminated.
- The PHSSEF, funded at \$605 million in FY2007, would be increased by \$1.15 billion to \$1.75 billion. Funding covers homeland security activities and pandemic influenza preparedness, both of which would be increased. (For details on pandemic influenza appropriations, see CRS Report RS22576.)

Abortion: Funding Restrictions. Annual L-HHS-ED appropriations regularly contain restrictions that limit — for one year at a time — the circumstances under which federal funds can be used to pay for abortions. Restrictions on appropriated funds, popularly referred to as the “Hyde Amendments,” generally apply to all L-HHS-ED funds. Medicaid is the largest program affected. Given the perennial volatility of this issue, these provisions may be revisited at any time during the annual consideration of L-HHS-ED appropriations. From FY1977 to FY1993, abortions could be funded only when the life of the mother was endangered. The 103rd Congress modified the provisions to permit federal funding of abortions in cases of rape or incest. The FY1998 L-HHS-ED appropriations, 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. The FY1999 L-HHS-ED appropriations, P.L. 105-277, continued the FY1998 Hyde Amendments with two added provisions: (1) a clarification to ensure that the restrictions apply to all trust fund programs (namely, Medicare), and (2) an assurance that Medicare + Choice plans cannot require the provision of abortion services. No changes were made from FY2000 through FY2004.

The FY2005 L-HHS-ED appropriations, P.L. 108-447 (H.Rept. 108-792, p. 1271), added a restriction, popularly referred to as the “Weldon Amendment,” that prevents federal programs or state or local governments that receive L-HHS-ED funds from discriminating against health care entities that do not provide or pay for abortions or abortion services. The FY2006 L-HHS-ED appropriations retained the Weldon amendment language and the Hyde restrictions. These provisions can be found in §507 and §508 of P.L. 109-149. Under the FY2007 continuing resolution (P.L. 110-5), the provisions also apply to FY2007 funds. For additional information, please see CRS Report RL33467, *Abortion: Legislative Response*, by Jon O. Shimabukuro and Karen J. Lewis.

Embryonic Stem Cell Research: Funding Restrictions. On August 9, 2001, President Bush announced a decision to use federal funds for research on human embryonic stem cells for the first time, but limited the funding to “existing stem cell lines.” Embryonic stem cells have the ability to develop into virtually any cell in the body, and have the potential to treat medical conditions such as diabetes and Parkinson’s disease. In response to the President’s announcement, the NIH developed a registry of 78 embryonic stem cell lines eligible for use in federally

funded research. However, many of these lines were found to be unavailable or unsuitable for research; only 21 of the 78 eligible stem cell lines are currently available for general research purposes. Some scientists are concerned about the quality, longevity, and availability of eligible stem cell lines. Many believe that the advancement of research requires new stem cell lines, possibly including stem cells derived from cloned embryos. The use of stem cells, however, raises ethical issues regarding embryo and fetal tissue research because the embryos are destroyed in order to obtain the cells. Given its potential volatility, the issue may be revisited at any time during the annual consideration of L-HHS-ED appropriations.

An FY1996 appropriations continuing resolution, P.L. 104-99 (§128), prohibited NIH funds from being used for the creation of human embryos for research purposes or for research in which human embryos are destroyed. Since FY1997, annual appropriations acts have extended the prohibition to all L-HHS-ED funds, with the NIH as the agency primarily affected. The restriction, originally introduced by Representative Jay Dickey, has not changed significantly since it was first enacted. The FY2006 L-HHS-ED appropriations continued the restrictions without significant change, and they carried over to FY2007 under the continuing resolution, P.L. 110-5. The current provision can be found in §509 of P.L. 109-149. For additional information, please see CRS Report RL33540, *Stem Cell Research: Federal Research Funding and Oversight*, by Judith A. Johnson and Erin D. Williams.

CRS Products

- CRS Report RL33467, *Abortion: Legislative Response*, by Jon O. Shimabukuro and Karen J. Lewis.
- CRS Report RL30731, *AIDS Funding for Federal Government Programs: FY1981-FY2007*, by Judith A. Johnson.
- CRS Report RS21044, *Background and Legal Issues Related to Stem Cell Research*, by Jon O. Shimabukuro.
- CRS Report RL30785, *The Child Care and Development Block Grant: Background and Funding*, by Melinda Gish.
- CRS Report RL32872, *Community Services Block Grants (CSBG): Funding and Reauthorization*, by Karen Spar.
- CRS Report RL34048, *Federal Research and Development Funding: FY2008*, by Michael E. Davey et al.
- CRS Report RL30952, *Head Start: Background and Issues*, by Melinda Gish.
- CRS Report RL31358, *Human Cloning*, by Judith A. Johnson and Erin D. Williams.
- CRS Report RL31865, *The Low-Income Home Energy Assistance Program (LIHEAP): Program and Funding*, by Libby Perl.
- CRS Report RL33695, *The National Institutes of Health (NIH): Organization, Funding, and Congressional Issues*, by Pamela W. Smith.
- CRS Report RS22576, *Pandemic Influenza: Appropriations for Public Health Preparedness and Response*, by Sarah A. Lister.
- CRS Report RL33354, *The Promoting Safe and Stable Families Program: Reauthorization in the 109th Congress*, by Emilie Stoltzfus.
- CRS Report RL31940, *Public Health Service Operating Agencies*, by Janet Kinzer.
- CRS Report RL33279, *The Ryan White HIV/AIDS Treatment Program*, by Judith A. Johnson and Paulette C. Morgan.
- CRS Report 94-953, *Social Services Block Grant (Title XX of the Social Security Act)*, by Melinda Gish.

CRS Report RL33540, *Stem Cell Research: Federal Research Funding and Oversight*, by Judith A. Johnson and Erin D. Williams.

CRS Report RL33997, *Substance Abuse and Mental Health Services Administration (SAMHSA): Reauthorization Issues*, by Ramya Sundararaman.

Websites

Department of Health and Human Services

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

[<http://www.hhs.gov/budget/docbudget.htm>]

Detailed Appropriations Table

Table 9 shows the appropriations details for offices and major programs of HHS.

Table 9. Detailed Department of Health and Human Services Appropriations
(\$ in millions)

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
<i>Public Health Service (PHS)</i>					
<i>Health Resources and Services Administration (HRSA)</i>					
Community Health Centers	\$1,988	\$1,988			
National Health Service Corps	126	116			
Health Professions, Nursing	150	105			
Health Professions, other	184	10			
Children's Hospital Graduate Medical Education	297	110			
Maternal and Child Health Block Grant	693	693			
Ryan White AIDS Programs	2,119	2,133			
Rural Health Programs	168	25			
Family Planning (Title X)	283	283			
Health Care-Related Facilities and Activities	0	0			
Bioterrorism Hospital Grants (a)	0	0			
Vaccine Injury Compensation Trust Fund (mandatory)	61	58			
HRSA, other	390	339			
HRSA subtotal	6,459	5,860			
Centers for Disease Control and Prevention (CDC) Infectious Diseases	1,791	1,782			
Terrorism Preparedness and Response	1,541	1,504			
Preventive Health and Health Services Block Grant (PHBG)	99	0			
CDC Buildings and Facilities	134	20			
CDC, other	2,373	2,411			
CDC subtotal (b)	5,938	5,717			

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
National Institutes of Health (NIH) (b)	28,999	28,621			
Substance Abuse and Mental Health Services Administration (SAMHSA) Mental Health Block Grant	407	407			
Substance Abuse Block Grant	1,679	1,679			
SAMHSA, other	1,120	960			
SAMHSA subtotal	3,206	3,046			
Agency for Healthcare Research and Quality (AHRQ)	0	0			
AHRQ program level (non-add)	319	330			
PHS subtotal	44,601	43,244			
<i>Centers for Medicare and Medicaid Services (CMS)</i>					
Medicaid Grants to States (mandatory)	170,729	208,921			
Medicare Trust Funds (mandatory)	176,298	188,628			
CMS Program Management	3,141	3,274			
Fraud and Abuse Control initiative	0	183			
CMS subtotal	350,168	401,006			
<i>Administration for Children and Families (ACF)</i>					
Family Support Payments (mandatory)	4,264	3,950			
Low Income Home Energy Assistance Program (LIHEAP)	2,161	1,782			
Refugee and Entrant Assistance	588	656			
Child Care and Development Block Grant (CCDBG)	2,062	2,062			
Social Services Block Grant (SSBG) (Title XX) (mandatory)	1,700	1,700			
Head Start	6,889	6,789			
Child Welfare Services	287	287			
Developmental Disabilities	171	171			
Community Services Block Grant	630	0			
Battered Women's Shelters	125	125			
Abstinence Education	109	137			
Children and Family Services, other	727	731			
Promoting Safe and Stable Families (PSSF) (mandatory)	345	345			
PSSF (discretionary)	89	89			
Foster Care and Adoption Assistance (mandatory)	6,722	6,858			
ACF subtotal	26,869	25,682			
Administration on Aging (AOA)	1,383	1,335			
<i>Office of the Secretary</i>					
General Departmental Management	357	393			
Medical Benefits, Commissioned Officers (mandatory)	371	403			
Public Health and Social Services Emergency Fund (PHSSEF)	605	1,754			
Office of the Secretary, other	176	240			
Office of the Secretary subtotal	1,509	2,790			

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
TOTALS, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Total appropriations (c)	424,531	474,057			
Current year funding	355,075	402,599			
One-year advance funding	69,456	71,457			

Source: Amounts are based on the April 17, 2007, table of the House Committee on Appropriations; they do not yet include FY2007 supplemental appropriations.

- a. P.L. 110-5 transferred the HRSA bioterrorism grants program to the Office of the HHS Secretary.
- b. Two HHS programs also received FY2007 funds from Interior-Environment appropriations — \$75 million for CDC and \$79 million for NIH; neither amount is included in this table.
- c. Appropriations totals include discretionary and mandatory funds, and may be subject to additional scorekeeping and other adjustments. Two HHS agencies were funded through other appropriations in FY2007: the Food and Drug Administration (FDA) in Agriculture appropriations (\$1.6 billion), and the Indian Health Service (IHS) in Interior-Environment appropriations (\$3.2 billion); neither agency is included in this table.

Department of Education

FY2007 discretionary appropriations for the Department of Education (ED) were \$57.5 billion. For FY2008, the budget request was \$56.2 billion, \$1.3 billion (2.2%) less than the FY2007 amount, as shown in **Table 10**.

**Table 10. Department of Education
Discretionary Appropriations**
(\$ in billions)

Funding	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
Appropriations	\$57.5	\$56.2			

Source: Amounts are based on the April 17, 2007 table of the House Committee on Appropriations. Amounts represent discretionary programs funded by L-HHS-ED appropriations; funds for mandatory programs are excluded.

A single mandatory ED program is included in the FY2008 L-HHS-ED bill; the Vocational Rehabilitation State Grants program was funded at \$2.7 billion in FY2007.

Key Issues

President's Request. Under the FY2008 budget request, funding for several programs would be increased, and six new education programs were proposed. However, the President's request would eliminate the funding for 44 existing programs and reduce the total discretionary funding for ED programs in FY2008.

The President's FY2008 budget request proposed changes of at least \$100 million for ED programs, as follows.

- Elementary and Secondary Education Act of 1965 (ESEA) programs, funded in the aggregate at \$23.5 billion in FY2007, would be increased by \$995 million in the President's FY2008 budget request.
- Three K-12 education initiatives of at least \$100 million were proposed by the President: \$125 million for Math Now, Elementary; \$125 million for Math Now, Middle School; and \$250 million for Promise Scholarships.
- Title I, Part A, Grants to Local Educational Agencies (LEAs) for the Education for the Disadvantaged, funded at \$12.8 billion in FY2007, would be increased by \$1.1 billion.
- School Improvement Grants, funded at \$125 million in FY2007, would be increased by \$375 million.
- Educational Technology State Grants, funded at \$272 million in FY2007, would be eliminated.
- The Fund for the Improvement of Education (FIE), funded at \$159 million in FY2007, would be reduced by \$100 million.
- The Teacher Incentive Fund, funded at \$0.2 million in FY2007, would be increased by \$199 million.
- Safe and Drug-Free Schools State Grants, funded at \$347 million in FY2007, would be decreased by \$247 million.
- The Special Education Part B Grants to States program under the Individuals with Disabilities Education Act (IDEA), funded at \$10.8 billion in FY2007, would be decreased by \$291 million.
- The Perkins Career and Technical Education program, funded at \$1.3 billion in FY2007, would be decreased by \$686 million.
- The Pell Grants program, funded at \$13.7 billion in FY2007, would be reduced by \$247 million.
- Federal Supplemental Educational Opportunity Grants, funded at \$771 million in FY2007, would be eliminated.

ESEA Funding Shortfall? Since the enactment of the No Child Left Behind Act of 2001 (NCLBA), P.L. 107-110, which amended the ESEA among other programs, there has been a continuing discussion regarding the appropriations "promised" and the resulting "shortfall" when the enacted appropriations are compared to authorization levels. Some would contend that the ESEA authorizations of appropriations, as amended by NCLBA, represent a funding commitment that was promised in return for legislative support for the new administrative requirements placed on state and local educational systems. They would contend that the authorized levels are needed for implementing the new requirements, and that the differences between "promised" and actual funding levels represent a shortfall of billions of dollars. Others would contend that the authorized funding levels represent no more than appropriations ceilings, and as such are no different from authorizations for most education programs. That is, when the authorization amount is specified, it represents only a maximum amount, with the actual funding level to be determined during the regular annual appropriations process. In the past, education programs with specified levels of authorization generally have been funded at lower levels; few have been funded at levels equal to or higher than the specified authorization amount.

Five ESEA programs, as amended by NCLBA, have specific authorization levels for FY2002 through FY2007: Title I, Part A Grants to Local Educational

Agencies (LEAs); 21st Century Community Learning Centers (21CCLC); the Education Block Grant; School Choice; and the Fund for the Improvement of Education. For FY2007, the aggregate authorization for these five programs was \$28.9 billion, and the appropriation was \$14.4 billion, or \$14.5 billion less than the amount authorized.

All current ESEA program authorizations expire after FY2007. However, Section 422 of the General Education Provisions Act (GEPA) has already extended the authorization of ESEA programs for one additional year. Therefore, current ESEA programs are authorized through September 30, 2008. GEPA also specifies that the amount authorized to be appropriated for a program during the extension shall be the amount that was authorized to be appropriated for the program during the terminal fiscal year of the program. Thus, in the case of the five ESEA programs with specific authorization levels for FY2007, these authorizations remain the same for FY2008. Therefore, for FY2008, the aggregate authorization for these five programs is \$28.9 billion, and the President's request for these programs was \$15.2 billion, or \$13.7 billion less than the amount authorized.

IDEA Funding Shortfall? From 1975 to 2004, the IDEA Part B Grants to States program authorized state payments up to a maximum amount of 40% of the national average per-pupil expenditure (APPE) times the number of children with disabilities ages 3-21 that each state serves. Appropriations have never reached the 40% level. In 2004, Congress addressed the authorization issue in P.L. 108-446, which specified authorization ceilings for Part B Grants to States for FY2005 through FY2011. For FY2007, the Part B Grants to States authorization was \$16.9 billion, and the appropriation was \$10.8 billion, or \$6.2 billion less than the authorized amount. For FY2008, the authorized amount is \$19.2 billion, and the President requested \$10.5 billion, or \$8.7 billion less than the amount authorized. As with ESEA and NCLBA, some view these differences as funding shortfalls, while others see the maximum federal share and the specified authorizations as nothing more than appropriation ceilings. For additional information, please see CRS Report RL32085, *Individuals with Disabilities Education Act (IDEA): Current Funding Trends*, by Richard N. Apling and Ann Lordeman.

Forward Funding and Advance Appropriations. Most appropriations are available for obligation during the federal fiscal year of the appropriations bill. For example, most FY2008 appropriations will be available for obligation from October 1, 2007, through September 30, 2008. Several L-HHS-ED programs, including some of the larger ED programs, have authorization or appropriations provisions that allow funding flexibility for program years that differ from the federal fiscal year. For example, many of the elementary and secondary education formula grant programs receive appropriations that become available for obligation to the states on July 1 of the same year as the appropriations, and remain available for 15 months through the end of the following fiscal year. That is, FY2008 appropriations for some programs will become available for obligation to the states on July 1, 2008, and will remain available until September 30, 2009. 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 for undergraduates, however, aggregate program costs for individual students applying for postsecondary educational 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 FY2008 appropriations will be used primarily to support grants for the 2008-2009 academic year. Unlike funding for elementary and secondary education programs, however, the funds for Pell Grants remain available for obligation for two full fiscal years.

An **advance appropriation** occurs when the appropriation is provided for a fiscal year beyond the fiscal year for which the appropriation was enacted. In the case of FY2008 appropriations, funds normally would have become available October 1, 2007, under regular funding provisions, but will not become available for some programs until July 1, 2008, under the forward funding provisions discussed above. However, if the July 1, 2008 forward funding date for obligation were to be postponed by three months — until October 1, 2008 — the appropriation would be reclassified as an advance appropriation since the funds would become available *only in a subsequent fiscal year*, FY2009. For example, the FY2008 budget request for Title I, Part A Grants to LEAs was \$13.9 billion. This amount includes not only forward funding of \$6.5 billion (to become available July 1, 2008), but also an advance appropriation of \$7.4 billion (to become available October 1, 2009). Like forward funding provisions, these advance appropriations are specified through provisions in the annual appropriations bill.

What is the impact of these changes in funding provisions? At the appropriations level, there is no difference between forward funded and advance appropriations except for the period available for obligation. At the program or service level, relatively little is changed by the three-month delay in the availability of funds, since most expenditures for a standard school year occur after October 1. At the scorekeeping 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, an advance appropriation is not counted in the 302(b) allocation until the following year. In essence, a three-month change from forward funding to an advance appropriation for a given program allows a one-time shift from the current year to the next year in the scoring of discretionary appropriations. For additional information, please see CRS Report RS20441, *Advance Appropriations, Forward Funding, and Advance Funding*, by Sandy Streeter.

CRS Products

CRS Report RL33960, *The Elementary and Secondary Education Act, as Amended by the No Child Left Behind Act: A Primer*, by Wayne Riddle and Rebecca R. Skinner.

CRS Report RL33371, *K-12 Education: Implementation Status of the No Child Left Behind Act of 2001 (P.L. 107-110)*, by Gail McCallion, Coordinator.

CRS Report RL32085, *Individuals with Disabilities Education Act (IDEA): Current Funding Trends*, by Richard N. Apling and Ann Lordeman.

CRS Report RL31668, *Federal Pell Grant Program of the Higher Education Act: Background and Reauthorization*, by Charmaine Mercer.

CRS Report RL31618, *Campus-Based Student Financial Aid Programs Under the Higher Education Act*, by David Smole.

CRS Report RS20441, *Advance Appropriations, Forward Funding, and Advance Funding*, by Sandy Streeter.

Websites

Department of Education

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

[<http://www.ed.gov/about/overview/budget/budget08/index.html>]

Detailed Appropriations Table

Table 11 shows the appropriations details for offices and major programs of ED.

Table 11. Detailed Department of Education Appropriations
(\$ in millions)

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
<i>Total Elementary and Secondary Education Act (non-add)</i>	\$23,479	\$24,474			
<i>Education for the Disadvantaged</i>					
Title I, Part A Education for the Disadvantaged, Grants to LEAs	12,838	13,910			
Even Start	82	0			
School Improvement Grants	125	500			
Reading First State Grants	1,029	1,019			
Math Now, Elementary initiative	0	125			
Math Now, Middle School initiative	0	125			
Promise Scholarships	0	250			
America's Opportunity Scholarships	0	50			
Migrant State Grants	387	380			
Education for the Disadvantaged, other	264	330			
<i>Impact Aid</i>					
Impact Aid	1,228	1,228			
<i>School Improvement Programs</i>					
Teacher Quality State Grants	2,887	2,787			
Mathematics and Science Partnerships	182	182			
Innovative Education Block Grant	99	0			
Educational Technology State Grants	272	0			
21 st Century Community Learning Centers	981	981			
State Assessments	408	412			
Rural Education	169	169			
School Improvement, other	257	167			

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
<i>Indian Education</i>					
Indian Education	119	119			
<i>Innovation and Improvement</i>					
Teacher Incentive Fund (a)	0	199			
Charter School Grants	215	215			
Fund for the Improvement of Education general funds (FIE)	159	58			
Innovation and Improvement, other	464	450			
<i>Safe Schools and Citizenship Education</i>					
Safe and Drug-Free Schools State Grants	347	100			
Safe Schools and Citizenship, other	383	224			
<i>English Language Acquisition</i>					
English Language Acquisition State Grants	669	671			
<i>Office of Special Education and Rehabilitative Services</i>					
IDEA Special Education, Part B, Grants to States	10,783	10,492			
IDEA Special Education, other	1,020	993			
Vocational Rehabilitation State Grants (mandatory)	2,837	2,874			
Rehabilitation Services, other	405	347			
<i>Special Institutions for Persons with Disabilities</i>					
Special Institutions for Persons With Disabilities	181	181			
<i>Office of Vocational and Adult Education</i>					
Perkins Vocational Education	1,304	617			
Adult Education	580	580			
Vocational and Adult, other	116	0			
<i>Student Financial Aid</i>					
<i>Pell Grants, maximum award (in dollars, non-add)</i>	<i>\$4,310</i>	<i>\$4,050</i>			
Pell Grants	13,661	13,414			
Supplemental Educational Opportunity Grants	771	0			
Federal Work-Study	980	980			
Federal Perkins Loans	65	0			
Leveraging Educational Assistance Partnership (LEAP)	65	0			
Student Aid Administration	720	708			
<i>Higher Education</i>					
Aid for Institutional Development	506	489			
Fund for the Improvement of Postsecondary Education (FIPSE)	22	22			
TRIO Programs	828	828			
GEAR UP	303	303			
Higher Education, other	285	196			
Howard University	237	234			
Institute of Education Sciences	517	594			

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
Departmental Management	559	594			
TOTALS, DEPARTMENT OF EDUCATION					
Total Appropriations (b)	60,310	59,099			
Current year funding	45,277	44,065			
One-year advance funding	15,034	15,034			

Source: Amounts are based on the April 17, 2007 table of the House Committee on Appropriations.

Note: Details may not add to totals due to rounding.

- a. Funded at \$0.2 million in FY2007.
- b. Appropriations totals include discretionary and mandatory funds, and are subject to additional scorekeeping and other adjustments.

Related Agencies

FY2007 discretionary appropriations for L-HHS-ED related agencies were \$11.5 billion. For FY2008, the budget request was \$11.7 billion, \$0.2 billion (1.8%) more than the FY2007 amount, as shown in **Table 12**.

Table 12. Related Agencies Discretionary Appropriations
(\$ in billions)

Funding	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
Appropriations	\$11.5	\$11.7			

Source: Amounts are based on the April 17, 2007 table of the House Committee on Appropriations. Amounts represent discretionary programs funded by L-HHS-ED appropriations; funds for mandatory programs are excluded.

Mandatory programs for related agencies included in the L-HHS-ED bill were funded at \$37.2 billion in FY2007, virtually all of it for the Supplemental Security Income (SSI) program.

Key Issues

President's Request. The President's FY2008 budget for related agencies proposed discretionary spending changes of at least \$100 million for the following agency:

- The Corporation for Public Broadcasting (CPB) has been provided with a two-year advance appropriation in recent years. The President's FY2008 budget did not request FY2010 funds for CPB. The CPB has been funded at \$400 million for FY2009 (included in L-HHS-ED funding for FY2007 under the Revised Continuing

Appropriations Resolution, P.L.110-5), and \$400 million for FY2008 (enacted in FY2006).

CRS Products

CRS Report RS22168, *The Corporation for Public Broadcasting: Federal Funding Facts and Status*, by Glenn J. McLoughlin.

CRS Report RL31320, *Federal Aid to Libraries in the Museum and Library Services Act of 2003*, by Gail McCallion.

CRS Report RL33544, *Social Security Reform: Current Issues and Legislation*, by Dawn Nuschler.

Websites

Note: Not all of the websites for the related agencies of L-HHS-ED appropriations include FY2008 budget information.

Committee for Purchase From People Who Are Blind or Severely Disabled

[<http://www.jwod.gov/jwod/index.html>]

Corporation for National and Community Service

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

Corporation for Public Broadcasting

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

Federal Mediation and Conciliation Service

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

Federal Mine Safety and Health Review Committee

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

Institute of Museum and Library Services

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

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 Labor Relations Board

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

National Mediation Board

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

Occupational Health and Safety Review Commission[<http://www.oshrc.gov>]**Railroad Retirement Board**[<http://www.rrb.gov>]**Social Security Administration**[<http://www.ssa.gov>][<http://www.ssa.gov/budget>]**Detailed Appropriations Table**

Table 13 shows the appropriations details for offices and major programs of the L-HHS-ED related agencies.

Table 13. Detailed Related Agencies Appropriations

(\$ in millions)

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
Committee for Purchase From People Who Are Blind or Severely Disabled	\$5	\$5			
<i>Corporation for National and Community Service (CNCS) (a)</i>					
CNCS Domestic Volunteer Service Programs (DVSP)					
Volunteers in Service to America (VISTA)	99	90			
National Senior Volunteer Corps	218	204			
DVSP subtotal	317	294			
CNCS National and Community Service Programs (NCSP)					
National Service Trust	118	123			
AmeriCorps Grants	265	256			
National Civilian Community Corps	27	12			
NCSP, other	85	70			
NCSP subtotal	494	459			
CNCS, other	74	75			
CNCS subtotal	885	829			
Corporation for Public Broadcasting (CPB), two-year Advance for FY2009 (current request) with FY2008 comparable	400	0			
<i>CPB FY2009 rescission (non-add)</i>	0	0			
<i>CPB FY2008 rescission (non-add)</i>	0	-50			
<i>CPB advance for FY2009 with FY2008 comparable (non-add)</i>	400	400			
<i>CPB advance for FY2008 with FY2007 comparable (non-add)</i>	396	400			
CPB Digitalization Program	30	0			

Office or major program	FY2007 enacted	FY2008 request	FY2008 House	FY2008 Senate	FY2008 conf.
CPB Interconnection	35	0			
Federal Mediation and Conciliation Service	43	44			
Federal Mine Safety and Health Review Committee	8	8			
Institute of Museum and Library Services (IMLS)	247	271			
Medicare Payment Advisory Commission	12	11			
National Commission on Libraries and Information Science	1	0			
National Council on Disability	3	3			
National Labor Relations Board	252	256			
National Mediation Board	12	12			
Occupational Safety and Health Review Commission	10	11			
Railroad Retirement Board	193	184			
<i>Social Security Administration (SSA) (b)</i>					
SSA Payments to Social Security Trust Fund (mandatory)	20	28			
SSA Supplemental Security Income (SSI) (mandatory)	42,931	38,728			
SSA SSI, Discretionary	2,950	2,983			
SSA SSI subtotal	45,881	41,711			
SSA Administrative Expenses	6,345	6,614			
SSA Office of Inspector General	92	95			
SSA subtotal	52,339	48,448			
TOTALS, RELATED AGENCIES					
Total appropriations (c)	54,473	50,082			
Current year funding	37,263	35,282			
One-year advance funding	16,810	14,800			
Two-year advance funding	400	0			

Source: Amounts are based on the April 17, 2007 table of the House Committee on Appropriations.

- a. Through FY2005, CNCS AmeriCorps Grants and other programs under the National and Community Service Act were funded in the Veterans Affairs-Housing and Urban Development (VA-HUD) Appropriations Act. All CNCS programs have been funded in L-HHS-ED since FY2006.
- b. The operation of the Social Security trust funds is considered off-budget, but the Social Security Administration (SSA) Supplemental Security Income (SSI) program, SSA Administrative Expenses, and certain related SSA activities are included under L-HHS-ED related agencies.
- c. Appropriations totals include discretionary and mandatory funds, and are subject to additional scorekeeping and other adjustments.

Appendix A. Terminology and Web Resources

The following items include some of the key budget terms used in this report; they are based on CRS Report 98-720, *Manual on the Federal Budget Process*, by Robert Keith and Allen Schick. The websites provide general information on the federal budget and appropriations.

Advance appropriation is budget authority that will become available in a fiscal year beyond the fiscal year for which the appropriations act is enacted; scorekeeping counts the entire amount in the fiscal year it first becomes available for obligation.

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 to the federal government of direct loans and loan guarantees, estimated on a net present value basis.

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 five fiscal years. It includes various budget totals and functional allocations.

Discretionary spending is budget authority provided in annual appropriations 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 appropriations acts.

Forward funding is budget authority that becomes available after the beginning of the fiscal year for which the appropriation is enacted and remains available into the next fiscal year; the entire amount is counted or scored in the fiscal year in which 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 that provides funds that are in addition to regular appropriations.

Websites

General information on budget and appropriations may be found at these websites. Specific L-HHS-ED agency sites are listed in relevant sections of this report.

House Committees

[<http://appropriations.house.gov/>]
[<http://republicans.appropriations.house.gov/>]
[<http://budget.house.gov/>]
[<http://budget.house.gov/republicans/>]

Senate Committees

[<http://appropriations.senate.gov/>]
[<http://budget.senate.gov/democratic/>]
[<http://budget.senate.gov/republican/>]

Congressional Budget Office (CBO)

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

Congressional Research Service (CRS)

[http://apps.crs.gov/cli/level_2.aspx?PRDS_CLI_ITEM_ID=73]

Government Accountability Office (GAO)

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

Government Printing Office (GPO)

[<http://www.gpoaccess.gov/usbudget/>]

Office of Management and Budget (OMB)

[<http://www.whitehouse.gov/omb/budget/index.html>]
[<http://www.whitehouse.gov/omb/legislative/sap/index.html>]