

113TH CONGRESS }
1st Session

COMMITTEE PRINT

{ S. RPT.
113-12

**CONCURRENT RESOLUTION
ON THE BUDGET
FY 2014**

COMMITTEE PRINT TO ACCOMPANY
S. CON. RES. 8
together with
ADDITIONAL VIEWS AND MINORITY VIEWS

**COMMITTEE ON THE BUDGET
UNITED STATES SENATE**

PATTY MURRAY, Chairman



MARCH 2013

Prepared for the use of the Committee on the Budget. This document has not been officially approved by the Committee and may not reflect the views of its members

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United States Senate

COMMITTEE ON HEALTH, EDUCATION,
LABOR, AND PENSIONS
WASHINGTON, DC 20510-6300

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March 1, 2013

**The Honorable Patty Murray
Chairman
Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, DC 20510**

**The Honorable Jeff Sessions
Ranking Member
Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, DC 20510**

Dear Patty and Jeff:

I write to provide my views and estimates from the Health, Education, Labor and Pensions (HELP) Committee for your consideration as you prepare for the Fiscal Year 2014 Budget Resolution. As you face this challenging task, I encourage you to view the recommendations of the HELP Committee – and all Committees – with one primary goal in mind: strengthening the American middle class. Both history and common sense tell us that our nation thrives when our middle class thrives. When families have good jobs with fair wages, when they can buy a house and a car and send their kids to college, and when they can afford to go to the doctor, pay their bills, and retire with dignity, that is when our economy grows and America is at its best.

Certainly, addressing the concerns we all share about our national debt is part of building a firm foundation for growth. However, it is even more important to our nation's long-term economic well-being that we are willing to embrace a bold vision for a better future, and to make substantial investments in programs and policies that help working families succeed. Many of the programs and policies that form the building blocks of a strong middle class fall within the jurisdiction of the HELP Committee.

In the next fiscal year, the HELP Committee will have the opportunity to consider visionary proposals that could change the future of our country – from expanding early childhood education to guaranteeing every American a secure retirement to increasing the labor force participation of people with disabilities by 20 percent in the next two years. We will have an opportunity, even in tough fiscal times, to help every hardworking American build a better, more secure economic future. I ask for your commitment to make this vision a reality, and for your strong support for key program areas that are particularly vital to this effort.

Early Learning. As the President emphasized in his State of the Union address, early learning is key to jump start the achievement of all children. A strong early learning system in each state will make quality early care and education opportunities available to all American families, building a strong foundation for a successful future. As we explore ways to improve the quality of, and access to, preschool programs, it will be important to ensure that we maintain our existing early learning investments in programs like Head Start and the Child Care and Development Block Grant. It is also critical that we build on these foundations, by providing a deficit neutral reserve fund that could accommodate HELP Committee legislation to expand early learning opportunities for low income children.

Core K-12 Supports. One of the most important responsibilities of the federal government in education is providing a ladder of opportunity for those students who are most disadvantaged. With that principle in mind, we must maintain -- and if possible increase -- funding for the core federal support programs for pre-kindergarten through 12th grade. Title I and IDEA funding forms the foundation of services for those students with the most challenges. We should protect those programs in order to ensure that states and districts can address the educational needs of all students, and that all students have the opportunity to succeed.

Postsecondary Education and Training. Higher education is a critical pathway to the middle class. The Pell Grant program and student loans are the foundation of federal access to higher education. As we strive for the United States to have the world's most highly educated and skilled workforce, we must ensure that the Pell Grant program is adequately protected and student loan interest rates do not increase above current levels in the current tough economic climate. In addition, we must provide appropriate funding for federal programs that enable students to pursue postsecondary education and training opportunities, including the Carl D. Perkins Career and Technical Education Act and the Workforce Investment Act. We request the Budget Committee provide for funds to maintain level discretionary funding for the Pell Grant program as well as a deficit neutral reserve fund that could accommodate HELP Committee legislation to make college more affordable for more Americans.

Implementation of the Affordable Care Act. For the first time in history, the Affordable Care Act makes affordable, comprehensive health insurance coverage available to all Americans, regardless of employment, financial means, gender, or health status. As this historic coverage expansion is implemented next year, we must be vigilant in protecting the programs that support that expansion. In particular, the risk adjustment, risk corridor, and reinsurance programs are vital to stabilizing the private insurance market and distributing risk appropriately among private insurers. Equally important are the subsidies that reduce out of pocket exposure for families below 250% of the poverty line -- without these cost-sharing subsidies, coverage would be unaffordable for many. We must also protect the funding provided in the Affordable Care Act to assist states in building insurance marketplaces, where consumers will shop for affordable, comprehensive coverage.

Finally, we must plan for the demands that this dramatic expansion in coverage -- combined with our aging population -- will place on our health care workforce. To ensure we have the workforce to meet our future needs, we must continue investing in critical health care training programs such as the Title VII and VIII programs and children's hospitals graduate medical education. Additional programs such as the teaching health centers and the National Health Service Corps will also be key to help distribute providers to the areas with greatest needs.

Community Health Centers. The Federally Qualified Health Centers program provides high quality, low-cost primary care to more than 22 million patients in over 9,000 locations across the country. Recognizing the value of this program, Congress included an \$11 billion health centers fund in the Affordable Care Act to expand and renovate health centers. However, this additional funding will run out in 2016, and it will be difficult to find the discretionary appropriations to fill this gap. Therefore, I urge you to keep this funding in the budget baseline beyond 2016 on the mandatory side to ensure that we can continue funding this critical program.

Promoting Health, Wellness and Public Health. Maintaining the Prevention and Public Health Fund, created by the Affordable Care Act, is absolutely critical to efforts to transform our nation into a genuine wellness society and drive down health care costs. For working families, the Fund is making transformative investments in States and communities across the nation to prevent deadly chronic diseases such as cancer, diabetes, and heart disease. The Community Transformation Grant Program, a key effort supported by the Fund, is expected to improve the health of more than 4 out of 10 U.S. citizens—about 130 million Americans.

If we are serious about building greater economic security for American families, we must continue down a path that reverses the escalating long-term cost and unprecedented growth of chronic diseases in the United States. Previous cuts to the Prevention and Public Health Fund have been penny-wise and pound foolish and I strongly oppose any further reductions.

Food and Drug Administration. Working families rely on the FDA to ensure the food they eat and the medicines they take are safe. Unfortunately every year, counterfeit drugs, tainted cosmetics, and unsafe foods sicken and cause deaths of parents and children, and underscore the importance of FDA's work. Full implementation of important measures to protect consumer and patient health, including the Food Safety and Modernization Act, which was enacted in January 2011, and the Food and Drug Administration Safety and Improvement Act, enacted in July 2012, will require robust funding for FDA. In addition, as we explore ways to ensure compounded drugs are safe for all families and avoid the recent deaths related to contaminated compounded drugs, I urge you to support increased funding for the FDA to help ensure consumer and patient safety.

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I also request that you create a reserve fund for FDA user fees to be addressed if the fees are affected by sequestration and are unable to be used for their stated purpose and cannot go to the Department of Treasury.

Mental Health. The tragedy in Newtown, Connecticut, in December turned the nation's attention to the state of our mental health care system. Mental illness often begins in childhood and adolescence, yet only one in five children with a diagnosable mental health condition is receiving appropriate treatment. As we explore ways to improve prevention, early intervention, and treatment of mental illness, it will be critical to maintain our investments in programs funded through the Substance Abuse and Mental Health Services Administration.

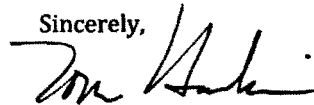
Retirement Security. After a lifetime of hard work, everyone deserves the opportunity to live out their golden years with dignity and financial independence. But for most of the middle class, the dream of a secure retirement is slipping out of reach. This year, I intend to move forward with legislation to solve the retirement crisis by strengthening the private pension system. The legislation will give more middle class families the opportunity to earn a secure source of retirement income for life, and will make it significantly easier for employers – especially small businesses – to provide a cost-effective, high-quality retirement plan to their employees.

These efforts to improve the retirement security for middle class families will require additional resources from the federal government. Therefore, we ask that the budget help lay the groundwork for this seminal legislation by creating a deficit neutral reserve fund specifically allocated for private pension reform in the 113th Congress.

Certainly this letter is not intended to be an exhaustive list of the HELP Committee's priorities in the 113th Congress. We are preparing for significant additional work to support middle class families, including protecting workers' rights, preventing employment discrimination and promoting employment opportunities for people with disabilities. My goal instead in this letter is to highlight key areas where the Budget Committee's attention and careful planning will be particularly important to HELP's work to strengthen the American middle class. I know that the Budget Committee's members on both sides of the aisle share this important goal, and I look forward to working with you both on these important issues in the coming weeks.

Thank you for your consideration of these views.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Harkin". The signature is fluid and cursive, with a prominent initial "T" and a long, sweeping underline.

Tom Harkin
Chairman