

CRS Report for Congress

Received through the CRS Web

Appropriations for FY1999: Labor, Health and Human Services, and Education

Updated November 19, 1998

Paul M. Irwin
Specialist in Social Legislation
Education and Public Welfare Division

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.

NOTE: A Web version of this document with active links is available to congressional staff at [<http://www.loc.gov/crs/products/apppage.html>]

Appropriations for FY1999: Labor, Health and Human Services, and Education

Summary

This report describes the enactment by the 105th Congress of the Departments of Labor, Health and Human Services, and Education, and Related Agencies (L-HHS-ED) Appropriations Act, 1999. This Act provides nearly all discretionary funds for three federal departments and related agencies. The report tracks issues related to FY1999 L-HHS-ED funding, with particular attention to discretionary programs. This report does not track issues related to mandatory L-HHS-ED programs nor the authorizing legislation necessary prior to funding some of the President's FY1999 initiatives.

On February 2, 1998, the President submitted the Administration's FY1999 budget to the Congress. The request was for \$84.5 billion in discretionary funds for L-HHS-ED programs, \$4.1 billion or 5.1% more than the FY1998 amount of \$80.4 billion, enacted primarily through **P.L. 105-78**. On July 20, 1998, the House Appropriations Committee reported **H.R. 4274**, a bill to provide FY1999 L-HHS-ED discretionary appropriations of \$81.9 billion. On September 8, 1998, the Senate Appropriations Committee reported **S. 2440**, a bill to provide \$82.3 billion in FY1999 L-HHS-ED discretionary appropriations. As enacted October 21, 1998, **P.L. 105-277 (H.R. 4328)** provides \$83.3 billion in FY1999 discretionary funds for L-HHS-ED, 3.6% more than the FY1998 amount. Prior to final enactment, six continuing resolutions provided temporary FY1999 funding beyond October 1, 1998.

U.S. Department of Labor (DOL): Major increases were requested by the Administration for the Job Training Partnership Act (JTPA) programs and State Operations of Unemployment Compensation programs. Discretionary DOL funding in FY1998 was \$10.7 billion; the FY1999 enacted amount is \$10.9 billion.

U.S. Department of Health and Human Services (DHHS): The Administration requested major increases for the National Institutes of Health (NIH), the Ryan White AIDS programs, the Substance Abuse and Mental Health Services Administration (SAMHSA), Child Care and Development Block Grant (CCDBG), and the Head Start program. Discretionary DHHS funding in FY1998 was \$32.8 billion; the FY1999 enacted amount is \$36.2 billion.

U.S. Department of Education (ED): Major increases were requested by the Administration for Title I Grants to Local Educational Agencies, Education Technology, an Educational Opportunity Zones initiative, Pell Grants, a College-Schools Partnerships initiative, and the Child Care initiative for 21st Century Community Learning Centers. Discretionary ED funding in FY1998 was \$29.4 billion; the FY1999 enacted amount is \$28.4 billion.

Related Agencies: The Administration requested major increases for the Corporation for Public Broadcasting (CPB) and for discretionary activities under the Supplemental Security Income (SSI) program. Discretionary funding for related agencies in FY1998 was \$7.7 billion; the FY1999 enacted amount is \$7.8 billion.

Key Policy Staff

Area of Expertise	Name	CRS Division	Telephone
Coordinator	Paul M. Irwin	EPW	7-7573
U.S. Department of Labor			
Job training and employment services	Ann Lordeman	EPW	7-2323
Labor standards enforcement	William G. Whittaker	E	7-7759
Labor market information	Linda Levine	E	7-7756
Occupational safety and health	Edward B. Rappaport	E	7-7740
School-to-Work Opportunities Act	Richard N. Apling	EPW	7-7352
Trade Adjustment Assistance	James R. Storey	EPW	7-7308
Unemployment compensation	James R. Storey	EPW	7-7308
Welfare-to-Work	Christine Devere	EPW	7-2587
Welfare-to-Work	Gene Falk	EPW	7-7344
U.S. Department of Health and Human Services			
Abortion, legal issues	Karen J. Lewis	A	7-6190
Abortion, legal issues	Kenneth R. Thomas	A	7-5006
Abortion procedures	Irene E. Stith-Coleman	STM	7-7080
AIDS, general	Judith A. Johnson	STM	7-7077
AIDS, Ryan White programs	Sharon Kearney	EPW	7-7367
Cancer research	Judith A. Johnson	STM	7-7077
Child care, child welfare	Karen Spar	EPW	7-7319
Family Planning	Sharon Kearney	EPW	7-7367
Head Start	Karen Spar	EPW	7-7319
Health professions education and training	Celinda Franco	EPW	7-7360
Immigration and refugee policy	Joyce C. Violet	EPW	7-7305
Immunization	Pamela W. Smith	STM	7-7048
Immunization	Sharon Kearney	EPW	7-7367
Low-Income Home Energy Assistance Program	Melinda Gish	EPW	7-4618
Maternal and Child Health Block Grant	Sharon Kearney	EPW	7-7367
Medicare	Jennifer O'Sullivan	EPW	7-7359
Medicare	Richard Price	EPW	7-7370
Needle exchange	C. Stephen Redhead	STM	7-2261
NIH, health research policy	Pamela W. Smith	STM	7-7048
NIH, health research policy	Irene E. Stith-Coleman	STM	7-7080
NIH, health research policy	Judith A. Johnson	STM	7-7077
Older Americans Act	Carol O'Shaughnessy	EPW	7-7329
Social Services Block Grant	Karen Spar	EPW	7-7319
Substance abuse and mental health	Cecilia Echeverría	EPW	7-1962
Tobacco settlement	C. Stephen Redhead	STM	7-2261
Welfare reform	Vee Burke	EPW	7-7304
Welfare reform	Gene Falk	EPW	7-7344
U.S. Department of Education			
Adult education and literacy	Paul M. Irwin	EPW	7-7573
Bilingual education	Patricia Osorio-O'Dey	EPW	7-2392
Education of the Disadvantaged, Title I	Wayne C. Riddle	EPW	7-7382

Area of Expertise	Name	CRS Division	Telephone
Education Technology	James B. Stedman	EPW	7-7356
National education goals, Goals 2000	James B. Stedman	EPW	7-7356
National educational testing	Wayne C. Riddle	EPW	7-7382
Pell Grants	Margot A. Schenet	EPW	7-7378
Safe and Drug-Free Schools	Cecilia Echeverría	EPW	7-1962
School choice	Wayne C. Riddle	EPW	7-7382
School-to-Work Opportunities Act	Richard N. Apling	EPW	7-7352
Special education, IDEA	Richard N. Apling	EPW	7-7352
Special education, IDEA	Nancy Lee Jones	A	7-6976
Student aid, student loans	Margot A. Schenet	EPW	7-7378
Teacher recruitment, preparation, and training	James B. Stedman	EPW	7-7356
Related Agencies			
Corporation for National and Community Service	Ann Lordeman	EPW	7-2323
Corporation for Public Broadcasting	Bernevia McCalip	E	7-7781
Library services	Wayne C. Riddle	EPW	7-7382
National Labor Relations Board	Gail McCallion	E	7-7758
National Labor Relations Board	Vince Treacy	A	7-7222
Social Security Administration	Geoffrey Kollmann	EPW	7-7316
Supplemental Security Income	Carmen Solomon-Fears	EPW	7-7306

Division abbreviations: A = American Law; E = Economics; EPW = Education and Public Welfare; STM = Science, Technology, and Medicine.

Contents

Most Recent Developments	1
Status	1
Perspective	3
302(b) Allocations	3
Key Issues	4
Funding Levels	5
House Legislative Action	6
Senate Legislative Action	7
Public Law Summary	7
Veto Threat	9
Major Funding Trends	9
Line Item Veto	10
For Additional Reading, Background	11
CRS Issue Briefs	11
Other CRS Products	11
Selected World Wide Web Sites	12
U.S. Department of Labor	13
Key Issues	13
The President's Request	13
The House Bill	14
The Senate Bill	14
Public Law	14
For Additional Reading	15
CRS Issue Briefs	15
CRS Reports	15
Selected World Wide Web Sites	16
Detailed Appropriation Table	16
U.S. Department of Health and Human Services	19
Key Issues	19
The President's Request	19
The House Bill	20
The Senate Bill	20
Public Law	21
Abortion: A Perennial L-HHS-ED Issue	21
Tobacco Legislation	22
For Additional Reading	22
CRS Issue Briefs	22
CRS Reports	22
Selected World Wide Web Sites	24
Detailed Appropriation Table	24
U.S. Department of Education	27
Key Issues	27
The President's Request	27

The House Bill	28
The Senate Bill	29
Public Law	30
For Additional Reading	30
CRS Issue Briefs	30
CRS Reports	31
Selected World Wide Web Sites	32
Detailed Appropriation Table	32
Related Agencies	36
Key Issues	36
The President's Request	36
The House Bill	37
The Senate Bill	37
Public Law	37
For Additional Reading	37
CRS Issue Briefs	37
CRS Reports	38
Selected World Wide Web Sites	38
Detailed Appropriation Table	39
Related Legislative Activity	42
Appendix A: Terminology	45
Appendix B: Scope of the L-HHS-ED Bill	46

List of Tables

Table 1. Legislative Status of the FY1999 Appropriations for Labor, Health and Human Services, and Education, P.L. 105-277	1
Table 2. 302(b) Allocations for L-HHS-ED Programs	4
Table 3. Summary of L-HHS-ED Appropriations	4
Table 4. L-HHS-ED Discretionary Appropriations, Trends From FY1994 ...	10
Table 5. Department of Labor Discretionary Appropriations	13
Table 6. Detailed Department of Labor Appropriations	17
Table 7. Department of Health and Human Services Discretionary Appropriations	19
Table 8. Detailed Department of Health and Human Services Appropriations .	25
Table 9. Department of Education Discretionary Appropriations	27
Table 10. Detailed Department of Education Appropriations	33
Table 11. Related Agencies Discretionary Appropriations	36
Table 12. Detailed Related Agencies Appropriations	40
Table B.1. Scope of the L-HHS-ED Bill	46

List of Figures

Figure 1. Federal and L-HHS-ED Discretionary Appropriations, FY1998	5
Figure 2. L-HHS-ED Discretionary Appropriations by Department, FY1998	6

Appropriations for FY1999: Labor, Health and Human Services, and Education

Most Recent Developments

The Departments of Labor, Health and Human Services, and Education, and Related Agencies (L-HHS-ED) Appropriations Act, 1999, was included in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, P.L. 105-277 (H.R. 4328), which the President signed into law October 21, 1998. Prior to the enactment of P.L. 105-277, a series of six continuing resolutions provided interim FY1999 funding from October 1 to October 21, 1998.

Neither the House nor the Senate approved separate L-HHS-ED bills for FY1999. The House bill, H.R. 4274, was reported by the House Appropriations Committee on July 20, 1998 (H.Rept. 105-635). The Senate bill, S. 2440, was reported September 8, 1998 (S.Rept. 105-300). The President submitted the FY1999 budget to the Congress on February 2, 1998.

This update of the report includes the details from P.L. 105-277 on funding levels and other issues associated with the L-HHS-ED appropriations for FY1999; it is a summary of the final legislative actions by the 105th Congress on these appropriations.

Status

Table 1 tracks the key legislative steps necessary to enact appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies (L-HHS-ED) for FY1999.

Table 1. Legislative Status of the FY1999 Appropriations for Labor, Health and Human Services, and Education, P.L. 105-277

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
6/23/98	9/1/98	H.R. 4274 7/20/98 H.Rept. 105-635	— ^{a, b}	S. 2440 9/8/98 S.Rept. 105-300	— ^b	H.R. 4328 10/19/98 H.Rept. 105-825	H.R. 4328 10/20/98 333 y - 95 n ^c	H.R. 4328 10/21/98 65 y - 29 n ^d	P.L. 105- 277 10/21/98 ^e

^a The House passed two resolutions to govern the floor consideration of H.R. 4274. The first resolution, **H.Res. 564** (H.Rept. 105-762), was passed on October 2, 1998, by a vote of 216-200 (roll call #476): see *Congressional Record*, daily edition, October 2, 1998, p. H9280-

9282, H9314. The second resolution, **H.Res. 584**, was passed on October 8, by a vote of 214-209, 1 voting present (roll call #502); see *Congressional Record*, daily edition, October 8, 1998, p. H10126-10149.

^b A continuing resolution, **P.L. 105-240**, as amended, continued FY1999 funding for most Labor, Health and Human Services, and Education projects and activities on a temporary basis from October 1, 1998, through October 21, 1998; the resolution deemed that the House and Senate reported versions had passed the House and Senate respectively as of October 1, 1998, for purposes of the continuing resolution.

^c For text of the H.R. 4328 conference report (H.Rept. 105-825), see *Congressional Record*, daily edition, October 19, 1998, p. H11044-11545.

^d For House approval of the H.R. 4328 conference report, see *Congressional Record*, daily edition, October 20, 1998, p. H11592-11669; roll call #538 (333-95).

^e For Senate approval of the H.R. 4328 conference report, see *Congressional Record*, daily edition, October 21, 1998, p. S12741-12810; roll call #314 (65-29).

House Committee. On February 2, 1998, the Administration submitted its FY1999 budget proposal to the Congress. The House Subcommittee on Labor, Health and Human Services, and Education Appropriations began hearings on FY1999 appropriations on January 28, 1998, and continued them through May 20. The House Subcommittee marked up its FY1999 bill on June 23, 1999. The House Appropriations Committee marked up the bill, **H.R. 4274**, on July 14 and reported the bill July 20, 1998 (H.Rept. 105-635). On October 2, 1998, the House approved **H.Res. 564** (H.Rept. 105-762), a rule to govern the floor debate on H.R. 4274, but took no further action. On October 8, the House approved **H.Res. 584**, a rule for the further consideration of H.R. 4274, agreed on a parental notification amendment to the Title X Family Planning program, but took no further action.

Senate Committee. The Senate Subcommittee on Labor, Health and Human Services, and Education Appropriations began hearings on March 5, 1998, and continued them through June 2. The Senate Subcommittee marked its FY 1999 bill on September 1, 1998. The Senate Appropriations Committee marked up the bill September 3, and the bill, **S. 2440**, was reported September 8, 1998 (S.Rept. 105-300). The full Senate did not consider S. 2440 as separate legislation.

Conference Committee; Public Law. On October 19, 1998, House-Senate conferees agreed to a conference report (H.Rept. 105-825) on an omnibus bill for all remaining FY1999 appropriations not yet enacted, including L-HHS-ED appropriations, along with other legislation. The House agreed to the conference report October 20, and the Senate October 21. **H.R. 4328**, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, P.L. 105-277, was signed into law by the President October 21, 1999.

Continuing Resolutions. Since the FY1999 began October 1, 1998, six temporary funding measures were enacted to enable most L-HHS-ED projects and activities to keep going until the enactment of P.L. 105-277 on October 21, 1998. For details on continuing resolutions and other legislation related to L-HHS-ED programs, please see Related Legislation (page 42).

DATA NOTE: In this report, unless otherwise noted, budget data for FY1998 and all stages of the FY1999 appropriation are based on the H.R. 4328 conference report, H.Rept. 105-825, as printed in the *Congressional Record*, daily edition, October 19, 1998, except that agency totals for discretionary funds are based on the House Appropriations Committee unofficial staff table of October 26, 1998. Data represent net funding amounts for specific programs and activities, taking into account current, forward, and advance funding, as well as proposed rescissions. 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 departments and agencies themselves.

Perspective

This report describes the President's proposal for FY1999 appropriations for L-HHS-ED programs and compares it with the FY1998 amounts. It tracks legislative action and congressional issues related to the FY1999 L-HHS-ED appropriations request, 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 42). However, the report does not track 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 45). For a discussion of the L-HHS-ED bill jurisdiction, please see Appendix B: Scope of the L-HHS-ED Bill (page 46).

302(b) Allocations

The annual congressional budget resolution 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 its 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. The most recent 302(b) allocation for the FY1999 L-HHS-ED appropriations bill in the House is \$81.9 billion in budget authority; in the Senate, the allocation for budget authority is \$82.3 billion, as shown in **Table 2**. The comparable 302(b) allocation for FY1998 is the enacted appropriation of \$80.4 billion; the comparable FY1999 amount enacted under P.L. 105-277 is \$83.3 billion.

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

FY1998 final comparable	FY1999 request comparable	FY1999 House	FY1999 Senate	FY1999 enacted comparable
\$80.4	\$84.5	\$81.9	\$82.3	\$83.3

Source: H.Rept. 105-722, September 16, 1998, for the FY1999 House amount; S.Rept. 105-191, May 14, 1998, for the FY1999 Senate amount; and the unofficial House Appropriations Committee staff table of October 26, 1998, for the comparable amounts for the FY1998 final, FY1999 request, and the FY1999 enacted.

Table 3 shows the L-HHS-ED appropriations for FY1998 and FY1999 to date, including both mandatory and discretionary funds within the L-HHS-ED bill. For FY1999, the request is \$84.5 billion in discretionary funds, \$4.1 billion or 5.1% more than the FY1998 amount of \$80.4 billion. The House bill would provide \$81.9 billion for FY1999, the Senate bill \$82.7 billion. The total discretionary funds enacted under P.L. 105-277 for L-HHS-ED programs in FY1999 is \$83.3 billion. Although the table shows mandatory funding that is regularly included in the bill, 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	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^b
Discretionary, current year	\$80.4	\$84.5	\$81.9	\$82.7	\$83.3
Mandatory, current year	\$191.0	\$208.8	\$208.9	\$208.9	\$208.6
Total, current year	\$271.4	\$293.3	\$290.8	\$291.6	\$292.0

Source: House Appropriations Committee unofficial staff table of October 26, 1998.

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

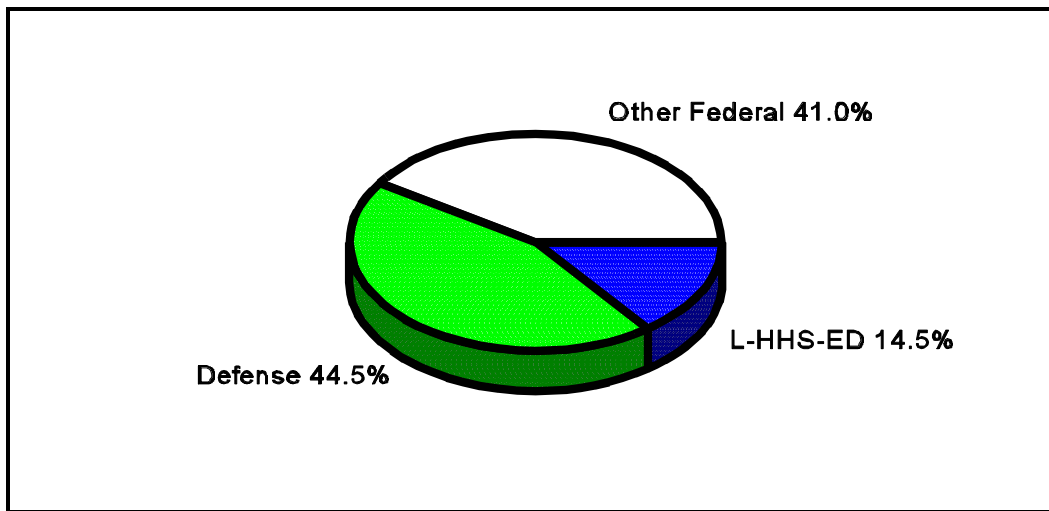
^b The FY1999 enacted amounts are based on P.L. 105-277. FY1999 discretionary amounts may be modified through further legislation during FY1999; FY1999 mandatory amounts are estimates that are subject to modification through changes in program service levels, as well as further legislation during FY1999.

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.

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 FY1998, the L-HHS-ED bill accounted for \$80.4 billion (14.5%) and the Defense bill accounted for \$268.6 billion (48.4%) of the estimated \$555.4 billion total for all federal discretionary budget authority. **Figure 1** shows the L-HHS-ED share of all federal discretionary appropriations in FY1998.

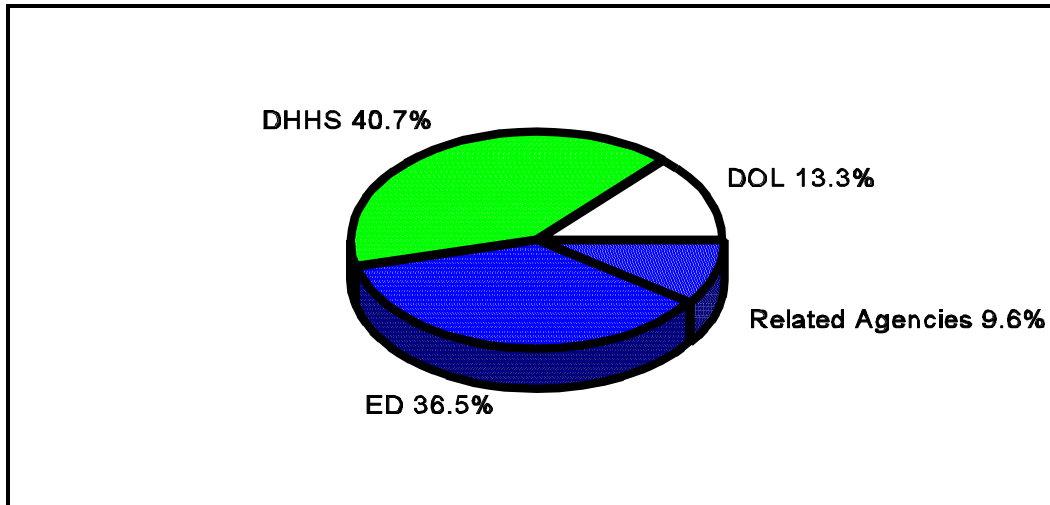
Figure 1. Federal and L-HHS-ED Discretionary Appropriations, FY1998
(in billions of dollars)



Source: *Budget of the United States Government Fiscal Year 1999*, Table S-8.

Once the aggregate size of the L-HHS-ED bill is agreed to, the distribution of these discretionary funds among departments and programs within the bill becomes an issue. **Figure 2** shows the discretionary share for each department within the L-HHS-ED total for FY1998.

**Figure 2. L-HHS-ED Discretionary Appropriations
by Department, FY1998**
(in billions of dollars)



Source: Percentage shares are based on H.Rept. 105-635.

House Legislative Action. The House Appropriations Committee marked up the bill on July 14, and reported H.R. 4274 on July 20, 1998 (H.Rept. 105-635). Highlights of the bill as reported include the following provisions.

- The bill would provide zero funding for the Low-Income Home Energy Assistance Program (LIHEAP) and the summer jobs for youth program during the current year, and would reject major funding increases requested for education.
- The bill would restrict the reimbursement of Viagra for state Medicaid programs.
- Title X Family Planning program would require local projects to notify parents or obtain consent before giving contraceptive drugs or devices to minors.
- The bill would extend to the Medicare trust fund the so-called Hyde amendment restricting funding for certain abortions.
- It would extend or continue certain restrictions included in previous appropriation acts relating to: the use of human embryos in medical research; distribution of hypodermic needles and syringes for injection of illegal drugs; and funding for the monitoring or oversight of any future Teamsters election.
- Title VI of the House bill would authorize the Child Protection Act of 1998 requiring schools and public libraries receiving federal funds for computers to restrict minors from gaining access to obscene materials on the Internet.
- Title VII of the House bill would permit an obstetrician-gynecologist to be designated as the primary care provider under certain group health plans or health insurance issuers; it would also require the Surgeon General's cigarette warning labels to include specific warnings concerning the higher incidence of smoking-related deaths among African Americans.

On October 2, 1998, the House approved **H.Res. 564**, a rule to govern the floor debate on H.R. 4274 and making in order the amendments printed in the report on the

rule (H.Rept. 105-762), including a Manager's amendment and two amendments related to parental notification on the Title X Family Planning program. However, the House took no further action on H.R. 4274. On October 8, the House approved **H.Res. 584**, a rule for the further consideration of H.R. 4274, which modified the original rule by making in order the two Title X amendments before the consideration of any other amendments. The House discussed the first of the two amendments, modified it (roll call #504), subsequently agreed to the amendment as modified, and took no further action on H.R. 4274. As amended, the amendment would modify the Title X family parental notification requirements such that local service providers must (1) notify parents or guardians of minors prior to providing contraceptive drugs or devices, and (2) counsel all minors seeking services about abstinence and ensure all counselors are adequately trained.¹

Senate Legislative Action. The Senate Appropriations Committee marked up the bill on September 3, and reported S. 2440 on September 8, 1998 (S.Rept. 105-300). Highlights of the bill as reported include the following provisions.

- The bill would continue funding for two programs that would not be funded under the House proposal: LIHEAP and the summer jobs for youth program, and the aggregate total that would be provided for education would be nearly as much as the amount requested by the Administration.
- It would extend or continue certain restrictions included in previous appropriation acts relating to: the use of human embryos in medical research; the distribution of hypodermic needles and syringes for injection of illegal drugs; and the prohibition on federal funding of abortions.
- FY1998 language prohibiting the promulgation of ergonomic rules would be eliminated.
- Title VI of the Senate bill would amend the Public Health Service Act to authorize a National Center for Complementary and Alternative Medicine to conduct and support basic and applied research at NIH.

Public Law Summary. As was shown in Table 3, the FY1999 L-HHS-ED Appropriations Act under P.L. 105-277 provides \$83.3 billion in discretionary funds, \$1.2 billion less than the budget request but \$2.9 billion more than the comparable FY1998 amount. The FY1999 appropriation either continued or increased funding for most established major programs, as will be seen below in the discussion of individual departments and agencies.

Funding for New Initiatives. Funding was provided for most, but not all, new initiatives proposed in the President's FY1999 budget, as follows.

- For the DOL Youth Opportunity Grants program, \$250 million remains available for FY1999, but no new funds are provided for the \$250 million request for FY2000.
- No funds were provided for the ED Education Opportunity Zones Initiative; \$200 million was requested.

¹ For additional information, see CRS Report No. 97-1048, *The Title X Family Planning Program*, by Sharon Kearney.

- An ED Class Size Reduction Initiative of \$1.1 billion in mandatory funds was requested; \$1.2 billion in discretionary funds is provided.
- A Children's Literacy Initiative at ED was funded in FY1998 at \$210 million. When required authorization was not enacted in time, those funds were transferred to special education. However, P.L. 105-277 authorizes a new Reading Excellence Act, and funds it at \$260 million for FY1999-FY2000.
- An ED College-School Partnerships Initiative was proposed at \$140 million; the newly authorized Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) is funded at \$120 million.
- A newly authorized ED Teacher Quality and Recruitment program is funded at \$75 million; \$67 million was requested for a program proposed by the Administration in this area.
- \$50 million was requested for the Corporation for Public Broadcasting (CPB) Digital Transition Fund; \$15 million was provided.

General Provisions. Consideration of the L-HHS-ED Appropriation Act, 1999, under P.L. 105-277, included discussion of whether to continue or extend several of the general provisions related to programs funded under the Act, as follows.

- Service providers under the ***Title X Family Planning*** program must provide counseling to minors, and specifically are not exempt from any state law that requires reporting of child abuse, child molestation, sexual abuse, rape, or incest. However, House language is eliminated from final passage that would have required parental notification or consent before providing contraceptive drugs or devices to minors. (§211 and 219)
- The DHHS final rule promulgated April 2, 1998, entitled "***Organ Procurement and Transplantation*** Network" is prohibited from taking effect prior to October 21, 1999; a study of the potential impact of organ procurement and transplantation is required. (§214)
- The FY1999 Act continues from FY1998 the Hyde Amendment restricting the use of ***funds for abortion***, and adds a clarification to ensure that the restriction applies to all L-HHS-ED trust fund programs funded in FY1999, as well as an assurance that Medicare + Choice plans are not required to provide abortion services. (§216, 508, and 509)
- For FY1998, an appropriations provision prohibited ED from using funds to pilot test, field test, implement, administer, or distribute any federally sponsored ***national education test*** in "reading, mathematics, or any other subject" unless explicitly provided in law. The FY1999 Act makes this provision a permanent amendment to the General Education Provisions Act (GEPA, §447) and makes it applicable to any funds available to ED. (§305)
- The FY1998 prohibition of the use of funds provided in the Act to carry out any program for the ***distribution of sterile needles*** or syringes for the hypodermic injection of any illegal drug is continued. (§505)
- The FY1998 restrictions on the use of funds to conduct research with the use of human embryos (including cloning) is continued for FY1999 funds. (§511)
- The FY1998 prohibition on use of funds provided in the Act for the supervision of the election of any officer of the ***International Brotherhood of Teamsters*** is continued in the FY1999 Act. (§514)
- The provision in the FY1999 House bill that would restrict the ***reimbursement of Viagra*** for state Medicaid programs is not included in the FY1999 Act.

- An FY1998 DOL prohibition regarding the establishment of *ergonomic standards* for worker protection is not included in the FY1999 Act; however, DHHS is required to award an \$890,000 contract to the National Academy of Sciences (NAS) by January 1, 1999, to conduct a study of the relationship between repetitive tasks in the workplace and musculoskeletal disorders.

Authorization for New Programs and Activities. The L-HHS-ED Appropriations Act, 1999, authorizes or amends several programs and activities.

- Title VI of the L-HHS-ED Act establishes within NIH the National Center for Complementary and Alternative Medicine to conduct basic and applied research to investigate and validate alternative medical systems. The Center is funded at \$50 million for FY1999.
- Title VII of the L-HHS-ED Act includes miscellaneous amendments to programs and Acts such as the CPB, the Social Security Act, and the Railroad Retirement Act.
- Title VIII of the L-HHS-ED Act authorizes the Reading Excellence Act to ensure that each child is taught to read in early childhood. As was already mentioned, this new program is funded at \$260 million.
- Title VIII also amends the Even Start program, repeals certain unfunded ED programs, and makes technical and conforming amendments to the Workforce Investment Act of 1998, P.L. 105-220 (WIA) regarding job training, adult education, and vocational rehabilitation programs.
- Title XI of the L-HHS-ED Act authorizes the Women’s Health and Cancer Rights Act of 1998 concerning health insurance coverage for mastectomies.

Veto Threat. On July 14, 1998, the White House issued a press release expressing the President’s “deep concern” for the provisions of House bill, especially those regarding school reform, class size reduction, school modernization, training and job opportunities, childcare initiatives, and other programs for low-income Americans. If the bill were sent to the President in its current form, he “would have no choice but to veto it,” according to the White House statement.² Subsequent to the House Committee markup of H.R. 4274, the Office of Management and Budget (OMB) issued a “Statement of Administration Policy” which discussed in detail the Administration’s major objections to the bill and stated that the President would veto the bill in its current form due to “very serious funding and language issues.”³

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 by changes in the authorizing legislation; these changes typically are

² The White House. Office of the Press Secretary. Statement by the President. July 14, 1998.

³ Executive Office of the President. Office of Management and Budget. Statement of Administration Policy. *H.R. 4274 — Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY1999*. August 4, 1998.

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 FY1994 through FY1998. The L-HHS-ED funds have increased by 19.5% for this 5-year period. The 5-year increase is reduced to an estimated 9.4% 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 increases from 13.4% in FY1994 to 14.5% in FY1998. When compared to all federal budget authority, both discretionary and nondiscretionary (mandatory), the L-HHS-ED portion increases during this period from 4.4% in FY1994 to 4.8% in FY1998.

Table 4. L-HHS-ED Discretionary Appropriations, Trends From FY1994

(budget authority in billions of dollars)

Type of funds	FY1994	FY1995	FY1996	FY1997	FY1998
L-HHS-ED discretionary	\$67.3	\$67.8	\$67.2	\$74.7	\$80.4
L-HHS-ED discretionary in FY1997 dollars	\$73.5	\$72.2	\$70.0	\$76.1	\$80.4
L-HHS-ED % of all federal discretionary funds ^a	13.4%	12.7%	13.4%	13.9%	14.5%
L-HHS-ED % of total federal budget authority	4.4%	4.4%	4.3%	4.5%	4.8%
Total federal discretionary	\$501.5	\$533.8	\$502.5	\$536.3	\$555.4
Total federal budget authority	\$1,529.3	\$1,539.7	\$1,580.8	\$1,642.9	\$1,687.3
GDP deflator	1.0512	1.0782	1.1031	1.1274	1.1488

Source: *Budget of the United States Government Historical Tables Fiscal Year 1999*, tables 5.2 and 10.1 (for total federal budget authority and GDP deflator); *Budget of the United States Government*, various years (for discretionary funds, both total and for the L-HHS-ED Appropriation Committee); and H.Rept. 105-635 (for the FY1998 L-HHS-ED discretionary amount).

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

Line Item Veto

On June 25, 1998, the Supreme Court struck down the Line Item Veto Act as unconstitutional in the case *Clinton v. New York City*. Prior to the decision, the President did not exercise the veto authority over any of the items in the L-HHS-ED appropriations for FY1998 under P.L. 105-78.⁴

⁴ For additional information, see CRS Issue Brief 89148, *Item Veto and Expanded Impoundment Proposals*, by Virginia A. McMurtry.

For Additional Reading, Background

CRS Issue Briefs.

CRS Issue Brief 98012. *The Budget for Fiscal Year 1999*, by Philip D. Winters.

CRS Issue Brief 89148. *Item Veto and Expanded Impoundment Proposals*, by Virginia A. McMurtry.

CRS Issue Brief 98044. *Supplemental Appropriations: Emergency Agriculture Aid, Embassy Security, Y2K Computer Conversion, and Defense*, by Larry Nowels, Coordinator.

Other CRS Products.

CRS Info Pack 521B. *Budget for Fiscal Year 1999*.

CRS Report 97-203. *Appropriations for FY1998: Labor, Health and Human Services, and Education*, by Paul M. Irwin.

CRS Report 98-200. *Appropriations for FY1999: an Overview*, by J. Michael Anderson.

CRS Report 98-199. *Budget FY1999: A Chronology with Internet Access*, by Mary Frances Bley.

CRS Report 97-620. *Budget Reconciliation in the 105th Congress: Achieving a Balanced Budget by 2002*, by David Stuart Koitz and Dawn Nuschler.

CRS Checklist 98-900. *Conference Report on H.R. 4328, Making Omnibus Consolidated and Emergency Supplemental Appropriations for Fiscal Year 1999: A Guide to CRS Products*, by Library Services Division.

CRS Report 97-684. *The Congressional Appropriations Process and the Congressional Budget Act*, by James V. Saturno.

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

CRS Report 97-892. *Continuing Appropriations Acts: Brief Overview of Recent Practices*, by Sandy Streeter.

CRS Report 98-268. *Federal Budget: Social Spending in the President's FY1999 Budget*, by Dawn Nuschler.

CRS Report 98-521. *Federal Budget: Social Spending Targets in the FY1999 House Budget Resolution*, by Dawn Nuschler.

CRS Report 98-415. *Federal Budget: Social Spending in the FY1999 Senate Budget Resolution*, by Dawn Nuschler.

CRS Report 98-800. *Fiscal Year 1999 Continuing Resolution*, by Sandy Streeter.

CRS Report 98-123. *Supplemental Appropriations and Rescissions for FY1998*, 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>]

Senate Committee on Appropriations
[<http://www.senate.gov/~appropriations/>]
[<http://www.senate.gov/~appropriations/releases.htm>]

CRS Appropriations Products Guide
[<http://www.loc.gov/crs/products/apppage.html>]

Congressional Budget Office
[<http://www.cbo.gov>]

General Accounting Office
[<http://www.gao.gov>]

Office of Management & Budget
[<http://www.whitehouse.gov/WH/EOP/OMB/html/ombhome.html>]
[http://www.access.gpo.gov/su_docs/budget/]
[<http://www.whitehouse.gov/WH/EOP/OMB/SAP/>]

U.S. Department of Labor

The FY1999 budget proposal for the U.S. Department of Labor (DOL) is \$11.1 billion in discretionary funds, \$0.4 billion (3.7%) more than the FY1998 appropriation of \$10.7 billion, as shown in **Table 5**. The House Committee bill would provide \$9.6 billion; the Senate Committee bill would provide \$10.7 billion; the amount enacted under P.L. 105-277 is \$10.9 billion. The discretionary amount enacted is \$229 million less than the request, but \$181 million more than the FY1998 amount.

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

FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^b
\$10.7	\$11.1	\$9.6	\$10.7	\$10.9

Source: House Appropriations Committee unofficial staff table of October 26, 1998.

^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; 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 FY1998, 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 FY1999 budget request for DOL features three broad strategic goals: a prepared workforce, a secure workforce, and quality workplaces. According to the Administration, a prepared workforce increases employment opportunities by providing all workers with the assistance and tools needed to succeed in the job market, including the information needed to make good employment choices. The goal of a secure workforce means promoting the economic security of workers and their families, including wage, hour, and other employment conditions; providing unemployment compensation benefits for those unable to work; offering retraining and adjustment services; and protecting pension, health care, and other benefits. A quality workplace is said to be one that is safe, healthy, and fair.

Major DOL discretionary increases under the President's FY1999 budget include the following.

- An additional \$167 million is requested for Job Training Partnership Act (JTPA) programs, including increases of \$45 million for Adult Training programs, \$100 million for Dislocated Worker Assistance, and \$61 million for

the Job Corps; there also would be a reduction of \$39 million for National Activities.

- An increase of \$100 million is proposed for State Operations for Unemployment Compensation.

Smaller DOL increases are proposed for Departmental Management salaries and expenses.

A decrease of \$75 million is proposed for the DOL portion of the School-to-Work Opportunities Act program; the reduction is the first step of the authorized phase-out of the program by the year 2001. No additional funds are requested for the Year 2000 Computer Conversion project under the State Unemployment Insurance Account; the conversion project was funded at \$200 million in 1998, but the amount includes \$40 million advance funded for 1999.

The House Bill. At the Committee level, the House bill does not accept all of the funding levels proposed in the President's FY1999 budget.

- The JTPA Summer Youth program, funded at \$871 million in FY1998 and level funded under the budget request, would be zeroed out in the House bill.
- The JTPA Dislocated Worker Assistance program would be level funded rather than increased by \$100 million under the budget request.
- The proposed JTPA program of Opportunity Areas for Youth, previously advance funded for FY1999 at \$250 million, would have those funds rescinded.
- The Unemployment Compensation State Operations program would receive an increase of \$1 million instead of the \$100 million requested.
- The School-to-Work Opportunities program, funded at \$200 million in FY1999 and with a budget request of \$125 million, would be reduced to \$75 million.

The Senate Bill. At the Committee level, the Senate bill differs from the House proposal with regard to several programs.

- The JTPA Summer Youth program would be level funded at \$871 million, rather than terminated.
- The JTPA Dislocated Worker Assistance program would be increased by \$55 million rather than level funded under the House bill.
- The proposed Opportunity Areas for Youth, previously advance funded for FY1999 at \$250 million, would retain \$125 million for FY1999 and the remainder would be rescinded; an additional \$250 million would be provided for FY2000.
- The School-to-Work Opportunities program would be funded at \$125 million, as requested, rather than being reduced to \$75 million under the House bill.
- The Senate bill would include a \$137 million rescission in the Welfare-to-Work Transition program.

Public Law. The FY1999 L-HHS-ED Appropriations Act under P.L. 105-277 provides funding levels that differ from those in the President's budget request for several DOL programs.

- No funds are provided in the bill for Youth Opportunity Grants; the request was for \$250 million, on an advance funded basis, for FY2000. However, the FY1998 appropriation of \$250 million was made on an advance funded basis; those funds remain available for the 1999 program year.
- An unrequested rescission of \$137 million is made to the Welfare-to-Work Grants program; the conference report says that these are funds that remained unclaimed by states at the end of the fiscal year.
- The JTPA Adult Training program is funded at \$955 million, the same as the FY1998 amount; the budget proposed a \$45 million increase.
- The JTPA Dislocated Worker Assistance program is funded at \$1.4 billion, \$55 million above the FY1998 amount but \$45 million below the request.

For Additional Reading

CRS Issue Briefs.

CRS Issue Brief 97051. *Child Labor and Public Policy: Legislative and Administrative Issues Involving American Workplaces*, by William G. Whittaker.

CRS Issue Brief 98003. *OSHA "Reinvention;" Initiatives by Congress and the Administration*, by Edward B. Rappaport.

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

CRS Reports.

CRS Report 97-724. *Ergonomics in the Workplace: Is it Time for an OSHA Standard?*, by Edward Rappaport.

CRS Report 97-536. *Job Training Reform: Legislation in the 105th Congress*, by Ann Lordeman.

CRS Report 94-807. *The Job Training Partnership Act: Training Programs at a Glance*, by Ann Lordeman.

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

CRS Report 95-742. *Unemployment Benefits: Legislative Issues in the 105th Congress*, by James R. Storey.

CRS Report 97-369. *Unemployment Compensation: Proposals to Reduce the Federal Role*, by James R. Storey.

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]

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	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^a
Employment and Training Administration (ETA)					
Training and Employment Services, Job Training Partnership Act (JTPA) Adult Training	955	1,000	955	950	955
—JTPA Youth Training	130	130	130	130	130
—JTPA Summer Youth Program	871	871	0	871	871
—JTPA Dislocated Worker Assistance	1,351	1,451	1,351	1,406	1,406
—JTPA Job Corps	1,246	1,308	1,308	1,301	1,308
—JTPA Youth Opportunity Grants (YOG)	250	250	(250)	125	0
—JTPA YOG Services ^b (non-add)	0	250	0	125	250
—JTPA Other Federally Administered Programs ^c	218	179	172	241	217
—JTPA subtotal	5,021	5,189	3,666	5,024	4,887
—School-to-Work Opportunities	200	125	75	125	125
—Training and Employment Services, Other	12	10	11	11	11
Welfare-to-Work Rescission	0	0	0	(137)	(137)
Community Service Employment for Older Americans	440	440	440	440	440
Federal Unemployment Benefits and Allowances, Trade Adjustment and NAFTA Activities	349	361	361	361	361
State Unemployment Insurance, Employment Service Operations (SUI/ESO), Unemployment Compensation State Operations	2,114	2,214	2,115	2,115	2,135
—SUI/ESO Unemployment Compensation, Year 2000 Computers ^d	200	0	0	(40)	0
—SUI/ESO Unemployment Compensation, Other	206	191	206	196	191
—SUI/ESO, Employment Service	817	817	817	822	822

Office or Major Program	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^a
—SUI/ESO, One-Stop Career Centers	163	147	137	147	147
Advances to Unemployment Trust Fund and Other Funds	392	357	357	357	357
ETA Program Administration	131	143	138	138	138
ETA, subtotal	10,045	9,994	8,323	9,559	9,477
Pension and Welfare Benefits Administration	82	91	86	88	90
Pension Benefit Guaranty Corporation (PBGC) Administration	10	11	11	11	11
PBGC Services (non-add)	137	148	148	148	148
Employment Standards Administration (ESA)					
ESA Salaries and Expenses	301	316	312	311	314
ESA Special Benefits	201	179	179	179	179
ESA Black Lung Disability Trust Fund, Appropriation	1,007	1,021	1,021	1,021	1,021
Occupational Safety and Health Administration (OSHA)	337	355	337	349	353
Mine Safety and Health Administration (MSHA)	203	211	203	211	211
Bureau of Labor Statistics	381	399	399	391	399
Departmental Management	381	422	393	420	421
TOTALS, DEPARTMENT OF LABOR					
Total Appropriations ^e	12,949	12,998	11,262	12,539	12,475

Source: Amounts are compiled from the H.R. 4328 conference report, H.Rept. 105-825, as printed in the *Congressional Record*, daily edition, October 19, 1998.

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

^b The FY1998 appropriation was to be made available in FY1999, contingent on the enactment of job training reform legislation by July 1, 1998; the Workforce Investment Act of 1998, P.L. 105-220 (WIA), was not enacted until August 7, 1998. The FY1999 appropriation provides \$250 million for the new WIA Youth Opportunity Grants program, but rescinds the contingent \$250 million initially made available for FY1999 under the FY1998 appropriation.

^c These amounts do not include a P.L. 105-277 supplemental \$7 million for the JTPA Migrant and Seasonal Farmworkers program.

^d The FY1998 appropriation included \$40 million of advance funding for FY1999.

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

U.S. Department of Health and Human Services

The FY1999 budget proposal for the U.S. Department of Health and Human Services (DHHS) is \$34.5 billion in discretionary funds, \$1.7 billion (5.2%) more than the FY1998 appropriation of \$32.8 billion, as shown in **Table 7**. The House Committee bill would provide \$34.2 billion; the Senate Committee bill would provide \$33.5 billion; the amount enacted under P.L. 105-277 is \$36.2 billion. The discretionary amount enacted is \$1.7 billion more than the request and \$3.4 billion more than the FY1998 amount.

Table 7. Department of Health and Human Services Discretionary Appropriations

(budget authority in billions of dollars)^a

FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^b
\$32.8	\$34.5	\$34.2	\$33.5	\$36.2

Source: House Appropriations Committee unofficial staff table of October 26, 1998.

^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; this amount may be modified through further legislation during FY1999.

Mandatory DHHS programs included in the L-HHS-ED bill were funded at \$169.0 billion in FY1998, and consist primarily of Grants to States for Medicaid (\$93.9 billion), Payments to Health Care Trust Funds (\$60.9 billion), Social Services Block Grant (\$2.3 billion), and Foster Care and Adoption (\$4.4 billion).

Key Issues

The President's Request. The President's FY1999 budget request for DHHS includes a number of themes 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, children's health insurance, fraud and abuse prevention, user fees, drug and alcohol treatment programs, human immunodeficiency 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.

Major DHHS discretionary increases in the FY1999 budget request are as follows:

- The largest discretionary increase is an additional \$1.2 billion proposed for the NIH, including additional funds for cancer, diabetes, heart disease, AIDS, brain disorders (including Alzheimer's and Parkinson's), and malaria, among other research programs.

- An additional \$165 million is proposed for the Ryan White AIDS programs.
- A \$128 million increase is requested for the Substance Abuse and Mental Health Services Administration (SAMHSA).
- \$200 million more is requested for Program Management under the Health Care Financing Administration (HCFA).
- \$294 million more is proposed for the Child Care and Development Block Grant (CCDBG).
- A \$313 million increase is included for Head Start.

Smaller DHHS increases are proposed for: the Centers for Disease Control and Prevention (CDC), including the Chronic Diseases program, the Infectious Diseases program, and Prevention Research; Consolidated Health Centers under the Health Resources and Services Administration (HRSA); and the Title X Family Planning program.

Reductions for DHHS programs are requested for several smaller programs administered by HRSA and for the Office of the Secretary. Termination is proposed for related DHHS Community Services programs outside of the Community Services Block Grant (CSBG).

The House Bill. At the Committee level, the House bill does not accept all of the funding levels proposed in the President's FY1999 budget.

- The bill would provide an additional \$59 million beyond the \$1.2 billion increase proposed for NIH.
- An increase of \$271 million would be provided for SAMHSA rather than the additional \$128 million proposed in the budget.
- A decrease of \$66 million rather than an increase of \$294 million would be provided for the CCDBG.
- An increase of \$153 million would be provided for the Head Start program rather than the requested increase of \$313 million.
- Consolidated Health Centers would be increased by \$100 million rather than \$14 million.
- The \$1.1 billion previously advance funded for FY1999 for the Low-Income Home Energy Assistance Program (LIHEAP) would be rescinded; however, \$1.1 billion would be provided in advance for FY2000, as requested.

The Senate Bill. At the Committee level, the Senate bill differs from the House proposal with regard to several programs.

- The bill would provide NIH \$15.6 billion, \$760 million above the House amount and \$2.0 billion above the FY1998 amount.
- The CDC would be approximately level funded, \$224 million less than the House amount.
- Health Professions would be funded at \$208 million, \$96 million below the House amount; the FY1998 amount was \$293 million.
- HRSA Vaccine Injury Compensation would be increased to \$155 million, \$100 million more than the House proposal.
- SAMHSA would be approximately level funded, \$306 million below the House proposal.

- The CCDBG would be funded at \$117 million more than the FY1998 amount, and \$183 million above the House amount.
- The Head Start program would be funded at the level requested in the budget, \$160 million more than the House amount. However, of the \$4.7 billion provided, \$1.4 billion would be provided as an advance appropriations for FY2000, so that the remaining \$3.3 billion available for FY1999 would be a \$1 billion reduction from the comparable FY1998 amount of \$4.3 billion.
- Existing funding for LIHEAP for FY1999 would be continued, and no existing funds would be rescinded as under the House proposal; \$1.1 billion would be provided in advance for FY2000 as requested.
- The Social Services Block Grant, Title XX (SSBG), an entitlement program, would be reduced to \$1.9 billion, the same as the budget request; the House bill would continue funding at the FY1998 level of \$2.3 billion.

Public Law. The FY1999 L-HHS-ED Appropriations Act under P.L. 105-277 provides funding levels that differ from those in the President's budget request for several DHHS programs.

- The bill provides \$15.7 billion for the NIH, \$0.8 billion more than requested and \$2.0 billion more than the FY1998 amount.
- Consolidated Health Centers are funded at \$925 million, \$86 million more than requested and \$100 more than the FY1998 amount.
- The Ryan White AIDS program is provided \$1.4 billion, \$98 million more than requested and \$261 million more than for FY1998.
- The HRSA Vaccine Injury Compensation is increased to \$155 million, \$100 million more than requested and \$110 million more than for FY1998.
- Other HRSA programs are funded at \$442 million, an increase of \$129 million over the requested amount and \$93 million more than the FY1998 amount.
- The CDC receives \$2.6 billion, an increase of \$113 million over the request and \$226 million above the FY1998 amount.
- SAMHSA is funded at \$2.4 billion, \$213 million more than the request and an increase of \$341 million above the FY1998 amount.
- The CCDBG is reduced to \$1.2 billion, \$177 million below the requested amount but \$117 million more than the FY1998 amount.

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 except in the case 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; however, Medicaid is the primary 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 are continued, along with a clarification to ensure that the Hyde Amendment applies to all trust fund programs funded by the L-HHS-ED

Appropriations Act, 1999, as well as an assurance that Medicare + Choice plans are not required to provide abortion services.⁵

Tobacco Legislation. The funding for a number of the President's initiatives, including many in the L-HHS-ED proposal, was to be derived from tobacco legislation. Such legislation was considered by the 105th Congress, but no proposal was enacted into law. Under the President's budget, net federal receipts for the tobacco proposal were estimated at \$10 billion for FY1999 and would have been spent on, among other DHHS programs: the National Institutes of Health (NIH), cancer demonstration projects, the CDC's smoking prevention efforts, children's health care coverage, and the CCDBG.⁶

For Additional Reading

CRS Issue Briefs.

CRS Issue Brief 95095. *Abortion: Legislative Response*, by Karen J. Lewis and Thomas P. Carr.

CRS Issue Brief 98001. *Child Care Legislation in the 105th Congress*, by Karen Spar.

CRS Issue Brief 98010. *Head Start: Background and Legislation in the 105th Congress*, by Karen Spar and Molly Forman.

CRS Issue Brief 98016. *Immigration Legislation and Issues in the 105th Congress*, by Joyce Vialet, Coordinator.

CRS Issue Brief 98011. *Research and Development Funding: Fiscal Year 1999*, by Michael E. Davey, Coordinator.

CRS Issue Brief 98022. *The Tobacco Settlement: Issues*, by C Stephen Redhead.

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-FY1998*, by Judith A. Johnson.

CRS Report 98-476. *AIDS: Ryan White CARE Act*, by Sharon Kearney.

⁵ For additional information, see CRS Issue Brief 95095, *Abortion: Legislative Response*, by Karen J. Lewis and Thomas P. Carr.

⁶ For additional information, see *Budget of the United State Government Fiscal Year 1999*, p. 70 and Table S-7, and the CRS Electronic Briefing Book on the Tobacco Settlement at [<http://thomas.loc.gov/brbk/html/ebtobtop.html>].

- 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 96-780. *Child Care for Low-income Families: Federal Programs and Welfare Reform*, by Karen Spar.
- CRS Report 98-541. *Child Care: The Role of the Federal Government*, by Molly Forman and Karen Spar.
- CRS Report 97-335. *Cloning: Where Do We Go From Here?*, by Irene E. Stith-Coleman.
- CRS Report 97-917. *Disease Funding and NIH Priority Setting*, by Judith A. Johnson.
- CRS Report 97-63. *Health Care Financing Administration Administrative Costs*, by Celinda Franco.
- CRS Report 97-757. *Health Centers*, by Sharon Kearney.
- CRS Report 97-485. *Health Professions Education and Training Programs in the Public Health Service Act*, by Celinda Franco.
- CRS Report 95-910. *Human Embryo Research*, by Irene E. Stith-Coleman.
- CRS Report 97-510. *Immunization Funding Under Section 317 of the Public Health Service Act*, by Melvina Ford.
- 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 Melvina Ford and Sharon Kearney.
- 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 Alice D. Butler.
- 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 97-884. *The Substance Abuse and Mental Health Services Administration (SAMHSA)*, by Jennifer A. Neisner.

CRS Report 97-1048. *The Title X Family Planning Program*, by Sharon Kearney.

CRS Report 98-8. *Tobacco Settlement Legislation: Summary and Comparison of S. 1414, S. 1492, S. 1530, S. 1638, S. 1889, and H.R. 3474*, by C. Stephen Redhead and Joy Austin-Lane.

CRS Report 98-115. *Welfare Reform: Federal-State Financing Under the Temporary Assistance for Needy Families Program*, by Gene Falk.

Selected World Wide Web Sites.

U.S. Department of Health and Human Services

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

[<http://www.hhs.gov/progorg/asmb/budget/fy99budget/>]

CRS Tobacco Settlement Briefing Book

[<http://thomas.loc.gov/brbk/html/ebtobtop.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	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted^a
Public Health Service (PHS)					
Health Resources and Services Administration (HRSA), Consolidated Health Centers	825	839	925	925	925
HRSA, National Health Service Corps	115	115	115	115	115
HRSA, Health Professions	293	291	304	208	304
HRSA, Maternal and Child Health Block Grant	681	682	700	683	700
HRSA, Ryan White AIDS Programs	1,150	1,313	1,331	1,368	1,411
HRSA, Family Planning (Title X)	203	218	203	215	215
HRSA, Vaccine Injury Compensation	45	55	55	155	155
HRSA, Other	349	313	315	376	442
HRSA, subtotal	3,662	3,826	3,948	4,045	4,267
Centers for Disease Control and Prevention (CDC)	2,384	2,497	2,591	2,367	2,610
National Institutes of Health (NIH)	13,622	14,803	14,862	15,622	15,652
Substance Abuse and Mental Health Services Administration (SAMHSA)	2,147	2,275	2,458	2,152	2,488
Retirement Pay and Medical Benefits, Commissioned Officers	191	202	202	202	202
Agency for Health Care Policy and Research	90	100	100	50	100
PHS, subtotal	22,096	23,703	24,161	24,437	25,319
Health Care Financing Administration (HCFA)					
Medicaid Grants to States	93,881	103,328	103,328	103,327	103,327
Payments to Health Care Trust Funds	60,904	62,953	62,953	62,953	62,953
Program Management	1,789	1,943	1,943	1,686	1,947
HCFA, subtotal	156,574	168,224	168,224	167,966	168,227
Administration for Children and Families (ACF)					
—Family Support Payments to States (Welfare, Child Support)	660	2,739	2,664	2,739	2,739

Office or Major Program	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^a
—Low Income Home Energy Assistance Program (LIHEAP)	1,100	1,087	0	1,100	1,100
—Refugee and Entrant Assistance	415	415	415	415	415
—Child Care and Development Block Grant (CCDBG)	1,066	1,360	1,000	1,183	1,183
—Social Services Block Grant (Title XX)	2,299	1,909	2,299	1,909	1,909
—Children and Family Services Programs (CFSP), Head Start	4,347	4,660	4,500	4,660	4,660
—CFSP, Community Services Block Grant	490	489	500	491	500
—CFSP, Community Services, Other	51	0	49	54	64
—CFSP, Other	788	793	793	804	808
—Violent Crime Reduction Programs	93	105	105	105	105
—Rescission of permanent appropriations	(21)	0	(21)	(21)	(21)
—Family Support and Preservation	255	275	275	275	275
—Foster Care and Adoption Assistance State Payments	4,358	5,339	5,119	5,319	5,119
ACF, subtotal	15,901	19,171	17,698	19,033	18,856
Administration on Aging	871	871	861	876	882
Office of the Secretary	243	282	236	238	258
TOTALS, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Total Appropriations ^b	195,683	212,250	211,179	212,550	213,541

Source: Amounts are compiled from the H.R. 4328 conference report, H.Rept. 105-825, as printed in the *Congressional Record*, daily edition, October 19, 1998.

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

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

U.S. Department of Education

The FY1999 budget proposal for the U.S. Department of Education (ED) is \$31.2 billion in discretionary funds, \$1.8 billion (6.1%) more than the FY1998 appropriation of \$29.4 billion, as shown in **Table 9**. The House Committee bill would provide \$30.6 billion; the Senate Committee bill would provide \$30.9 billion; the amount enacted under P.L. 105-277 is \$28.4 billion.⁷ The discretionary amount enacted is \$2.7 billion less than the request and \$1.0 billion less than the FY1998 amount.

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

FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^b
\$29.4	\$31.2	\$30.6	\$30.9	\$28.4

Source: House Appropriations Committee unofficial staff table of October 26, 1998.

^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; this amount may be modified through further legislation during FY1999.

Mandatory ED programs included in the L-HHS-ED bill were funded at \$2.6 billion in FY1998, and consist entirely of the Rehabilitative Services and Disabilities Research programs. The FY1999 ED budget also includes a \$1.1 billion mandatory proposal for a Grades 1 Through 3 Class Size Reduction and Teacher Financing initiative (with funding dependent on receipts from tobacco legislation), and a tax expenditure proposal that would provide federal tax credits in support of \$20 billion in interest-free bonds for a School Construction initiative.

Key Issues

The President's Request. Support for education has been one of the President's top priorities, and the FY1999 budget proposal for ED continues to reflect that emphasis. Major themes include: reducing class size and modernizing the Nation's schools; mastering basic skills to prepare for college and productive employment; targeting aid to improve urban education; supporting educational technology; and helping students prepare and pay for college.

⁷ Budget scorekeeping excludes advance funding from the current year totals. The ED totals exclude \$1.4 billion of advance funding for Title I in the FY1998 final amount, and \$6.1 billion of advance funding in the FY1999 enacted amount, a \$4.7 billion difference.

Major ED discretionary increases in the FY1999 budget request are as follows:

- The largest ED discretionary increase is \$422 million in additional funds proposed for Title I Grants to Local Educational Agencies (LEAs) for the Education of the Disadvantaged.
- An additional \$137 million is proposed for Educational Technology, including the Technology Literacy Challenge Fund and Teacher Training in Technology.
- \$200 million is proposed for an Education Opportunity Zones initiative that would provide approximately 50 grants that would focus on the educational problems of poor urban and rural school districts.
- An additional \$249 million is requested to increase funding for the Pell Grant program, including an \$100 increase in the maximum award to \$3,100.
- \$140 million is proposed for a College-Schools Partnerships initiative to encourage academic achievement and college enrollment by students from low-income schools.
- \$109 million more is proposed for other higher education programs, including Minority Teacher Recruitment and other teacher recruitment and preparation activities.
- \$160 million additional is requested as part of the President's Child Care initiative for 21st Century Community Learning Centers to support approximately 4,000 before- and after-school programs.

Smaller increases of less than \$100 million are proposed for Goals 2000: Educate America Act, other Education for the Disadvantaged programs, Safe and Drug-Free Schools and Communities Act, Bilingual Education, Adult Education, Federal Work-Study, Title III Aid for Institutional Development, TRIO programs, Research and Statistics, and Salaries and Expenses.

A decrease of \$112 million is proposed for Impact Aid programs. No funds are requested for the \$350 million Innovative Program Strategies (education block grant) program and for the \$25 million State Student Incentive Grants (SSIG) program. A decrease of \$75 million is proposed for the ED portion of the School-to-Work Opportunities Act program; the reduction is the first step of the authorized phase-out of the program by the year 2001. For Library Services, \$146 million was initially provided for FY1998 through the ED appropriation, and then transferred to the Institute of Museum and Library Services (IMLS); for FY1999, \$146 million is requested directly for the IMLS as an L-HHS-ED Related Agency.

The House Bill. At the Committee level, the House bill does not accept all of the funding levels proposed in the President's FY1999 budget.

- Title I Grants to LEAs would be level funded rather than increased by \$422 million.
- The Goals 2000 Education Reform program would be reduced by 50% to \$246 million, rather than increased slightly as requested.
- Educational Technology would be reduced by \$43 million rather than increased by \$137 million.
- The \$200 million School-to-Work Opportunities program, proposed in the budget at \$125 million, would be reduced to \$75 million.

- An additional \$40 million would be provided for the Impact Aid program rather than a decrease of \$112 million.
- The \$350 million Innovative Program Strategies, the largest ED program proposed for termination in the budget, would be increased to \$400 million.
- The Educational Opportunity Zones initiative would not be funded.
- The Individuals with Disabilities Education Act State Grants program would be increased by \$503 million instead of \$23 million.
- Instead of an additional \$249 million for Pell Grants and an increase of \$100 in the maximum grant, the bill would provide an increase of \$834 million and an increase of \$150 in the maximum award.
- The College-Schools Partnership initiative would not be funded.
- Other higher education programs would be reduced by \$90 million rather than increased by \$109 million.
- An increase of \$20 million would be provided for the 21st Century Community Learning Centers rather than \$140 million increase requested.
- The House bill would prohibit the use of ED funds for development, testing (including pilot or field testing), or administration of any federally sponsored national test without specific and explicit statutory authorization.
- Several amendments would be made to the Bilingual Education Act to increase the flexibility of teaching methods but limit the number of years students could spend in bilingual program, with a priority placed on programs that moved students into regular English language instruction within 2 years.

The Senate Bill. At the Committee level, the Senate bill differs from the House proposal with regard to several programs.

- Title I Grants to LEAs would be increased by \$301 million rather than level funded as in the House bill.
- The Goals 2000 Education Reform program would be increased slightly rather than cut by 50% under the House bill.
- Educational Technology would be funded at \$83 million above the House level, and \$40 million more than the FY1998 amount.
- The School-to-Work Opportunities program would be funded at the budget request level of \$125 million, \$50 million less than the House amount.
- The Impact Aid program would be nearly level funded.
- The \$350 million Innovative Program Strategies would be level funded.
- \$100 million would be provided for school construction; no funds were requested and none provided in the House bill.
- Pell Grants would be funded at a level \$349 million above the House amount, with a maximum grant increase of \$100 rather than \$150.
- The Connection proposal would be funded at \$75 million, contingent on enactment of authorization; the budget request was for \$140 million for a College-Schools Partnership initiative.
- Other higher education programs, including \$75 million in grants for improving teacher quality, would be funded at a level \$171 million over the House amount, and \$81 million more than the FY1998 amount.
- In increase of \$35 million would be provided for the 21st Century Community Learning Centers, \$15 million more than the House amount.

- The Senate bill would provide that no funds may be used to field test or administer any federally sponsored national tests; however, it would, by implication, allow continuation of national test development and pilot testing.

Public Law. The FY1999 L-HHS-ED Appropriations Act under P.L. 105-277 provides funding levels that differ from those in the President's budget request for several ED programs. However, as already noted, the FY1999 ED discretionary amount excludes a \$4.7 billion increase in advance funding for the Title I Grants to LEAs.

- The Title I Grants to LEAs program is funded at \$7.8 billion, \$121 million less than requested but \$301 million more than in FY1998. Of the FY1999 amount, \$6.1 billion is advance funded: \$1.4 billion was advance funded in FY1998.⁸
- The Impact Aid program is funded at \$864 million, an increase of \$168 million; a \$112 million reduction was requested.
- The Innovative Education Program Strategies is funded at \$375 million, \$50 million more than the FY1998 amount; the request was for termination.
- \$1.2 billion in discretionary funds is provided for a new Class Size Reduction program; the budget requested \$1.1 billion in mandatory funds from the proposed Tobacco Settlement.
- The President's request of \$200 million for an Education Opportunity Zones proposal is not funded.
- \$260 million is provided for the Literacy Initiative; the FY1999 budget request was for \$50 million.⁹
- The IDEA State Grants program is funded at \$4.8 billion, \$290 million more than requested and \$313 million above the FY1998 level.
- Pell Grants are funded at \$7.7 billion, \$110 million more than requested and \$359 million more than in FY1998. The maximum award level is increased by \$125 to \$3,125, \$25 more than the maximum requested in the budget.

For Additional Reading

CRS Issue Briefs.

CRS Issue Brief 98013. *Elementary and Secondary Education Block Grant Proposals in the 105th Congress*, by Wayne C. Riddle and Paul M. Irwin.

⁸ Advance funding means FY1999 funds will become available for obligation to the states on October 1, 2000, instead of July 1, 2000; this 3-month change in the availability of funds is anticipated to cause little change in the delivery of Title I services.

⁹ It was assumed in the budget that an additional \$210 million would be available in FY1999 that was already enacted in the FY1998 appropriations, contingent on the enactment of authorization by July 1, 1998. That contingency was not met; in fact, the Literacy Initiative was enacted through the Reading Excellence Act, Title VII of the Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations, 1999, included in P.L. 105-277.

CRS Issue Brief 98004. *The Higher Education Act: Reauthorization by the 105th Congress*, by James B. Stedman and Wayne Riddle.

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

CRS Reports.

CRS Report 97-534. *Adult Education and Literacy: Current Programs and Legislative Proposals in the 105th Congress*, by Paul M. Irwin.

CRS Report 98-547. *Bilingual Education: A Description and Analysis of H.R. 3892, the "English Language Fluency Act"*, by Wayne Riddle.

CRS Report 97-893. *Education Block Grant in FY1998 Appropriations*, by Paul M. Irwin and Wayne C. Riddle.

CRS Report 97-339. *Federal TRIO Programs and the National Early Intervention Scholarship and Partnership Program*, by James B. Stedman.

CRS Report 95-502. *Goals 2000: Educate America Act Implementation Status and Issues*, by James B. Stedman and Wayne C. Riddle.

CRS Report 98-880. *Individuals with Disabilities Education Act (IDEA) Provisions in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999*, by Nancy Lee Jones and Richard N. Apling.

CRS Report 96-178. *Information Technology and Elementary and Secondary Education: Current Status and Federal Support*, by James B. Stedman and Liane White.

CRS Report 97-101. *Pell Grants: Background and Issues*, by Margot A. Schenet.

CRS Report 98-455. *Magnet Schools Assistance Program: Overview and Status*, by Carol Glover.

CRS Report 97-774. *National Tests: Administration Initiative*, by Wayne Riddle.

CRS Report 97-972. *Reading Instruction: New Federal Initiatives*, by Wayne Riddle.

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 95-1090. *School Facilities Infrastructure: Background and Funding in the 105th Congress*, by Susan Boren.

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

CRS Report 98-166. *Teacher Quality and Quantity: Proposals in the 105th Congress*, by James B. Stedman.

CRS Report 96-380. *Title I, ESEA: Current Status and Issues*, by Wayne Riddle.

CRS Report 97-737. *Title III of the Higher Education Act: Status and Reauthorization Issues*, by James B. Stedman.

CRS Report 97-283. *Vocational Education: Legislation to Reauthorize the Carl D. Perkins Vocational and Applied Technology Education Act*, by Richard N. Apling.

Selected World Wide Web Sites.

U.S. Department of Education Home Page

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

[<http://www.ed.gov/offices/OUS/Budget99/>]

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	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^a
Education Reform, Goals 2000: Educate America Act	491	501	246	496	491
—School-to-Work Opportunities	200	125	75	125	125
—Educational Technology	584	721	541	624	698
Office of Elementary and Secondary Education					
—Title I Education for the Disadvantaged, Grants to LEAs ^b	7,495	7,917	7,495	7,796	7,796
—Education for the Disadvantaged, Other	527	579	561	539	575
—Impact Aid	808	696	848	810	864
—School Improvement (SI), Professional Development	335	335	285	335	335
—SI, Innovative Program Strategies	350	0	400	350	375
—SI, Class Size Reduction ^c	0	0	0	0	1,200
—SI, Safe and Drug-Free Schools	556	606	556	556	566
—SI, Magnet Schools	101	101	101	104	104
—SI, Education Opportunity Zones	0	200	0	0	0
—SI, School Construction	0	0	0	100	0
Other School Improvement	199	234	195	210	231
America Reads Challenge/Literacy Initiative ^d	0	50	0	0	260
Indian Education	60	66	66	66	66
Bilingual and Immigrant Education	354	387	354	354	380
Office of Special Education and Rehabilitative Services					
—Special Education, State Grants	4,532	4,555	4,825	4,834	4,845
—Special Education, State Grants (non-add advance from prior year) ^d	0	210	210	210	210
—Special Education, National Activities	279	291	279	279	279
—Rehabilitation Services and Disability Research	2,591	2,645	2,647	2,645	2,653
Special Institutions for Persons With Disabilities	133	137	137	138	138

Office or Major Program	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^a
Office of Vocational and Adult Education					
Vocational Education	1,147	1,150	1,154	1,147	1,154
Adult Education	361	394	378	356	385
Student Financial Assistance					
—Pell Grants	7,345	7,594	8,179	8,528	7,704
—Supplemental Educational Opportunity Grants	614	619	614	619	619
—Federal Work-Study	830	900	850	900	870
—Federal Perkins Loans, Capital Contributions ^e	135	60	0	60	100
—Federal Perkins Loans, Loan Cancellations	30	30	30	30	30
—State Student Incentive Grants	25	0	0	36	25
Federal Family Education Loans, Administration	46	48	48	46	46
Higher Education, Aid for Institutional Development	211	253	231	225	258
—Federal TRIO Programs	530	583	600	555	600
—College-School Proposals	0	140	0	75	120
—Other Higher Education	203	312	113	284	330
Howard University	210	210	214	210	214
College Housing and Academic Facilities Loans, Administration	1	1	1	1	1
Office of Educational Research and Improvement					
—Research and Statistics	223	287	237	223	252
—21st Century Community Learning Centers	40	200	60	75	200
—Other Research and Improvement	168	202	151	181	213
Departmental Management	436	461	454	457	459
TOTALS, DEPARTMENT OF EDUCATION					
Total Appropriations ^f	32,150	33,591	32,930	34,368	35,561

Source: Amounts are compiled from the H.R. 4328 conference report, H.Rept. 105-825, as printed in the *Congressional Record*, daily edition, October 19, 1998.

Table Notes are on next page.

Notes to Table 10:

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

^b The FY1998 appropriation for Title I Grants to local educational agencies (LEAs) included \$1.4 billion of advance funding; the FY1999 appropriation includes \$6.1 billion of advance funding.

^c The FY1999 Class Size Reduction budget request was for \$1.1 billion in mandatory funds from the proposed Tobacco Settlement, and was not included in either the House or Senate appropriations bills.

^d The FY1998 appropriation included \$210 million for the Literacy Initiative, contingent on enactment of authorizing legislation by July 1, 1998; without such authorization, funds were transferred to the Special Education Account for FY1999.

^e The FY1999 request excludes a proposed \$40 million transfer from a special Treasury account for defaulted loan collections.

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

Related Agencies

The FY1999 budget proposal for L-HHS-ED related agencies is \$7.8 billion in discretionary funds, \$0.1 billion (1.3%) more than the FY1998 appropriation of \$7.7 billion, as shown in **Table 11**. The House Committee bill would provide \$7.7 billion; the Senate Committee bill would provide \$7.8 billion; the amount enacted under P.L. 105-277 is \$7.8 billion. The discretionary amount enacted is \$13 million less than the request but \$81 million more than the FY1998 amount.

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

FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^b
\$7.7	\$7.8	\$7.7	\$7.8	\$7.8

Source: House Appropriations Committee unofficial staff table of October 26, 1998.

^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; this amount may be modified through further legislation during FY1999.

Mandatory programs for related agencies included in the L-HHS-ED bill were funded at \$24.4 billion in FY1998, of which \$22.8 billion was for Supplemental Security Income (SSI) activities and \$0.6 billion was for Special Benefits for Disabled Coal Miners.

Key Issues

The President's Request. Major discretionary increases requested for related agency programs include the following.

- An additional \$90 million is proposed for the Corporation for Public Broadcasting (CPB), of which \$40 million is advance funded for FY2001 and \$50 million is proposed for a capital improvement program to begin the transition of public broadcasting from analog to digital technology.
- \$79 million additional funding is requested for discretionary activities under the SSI program, including increased funds for continuing disability reviews (CDRs), user fee activities, and termination of separate funding for administrative activities related to welfare reform.
- \$23 million additional is proposed for Domestic Volunteer Service Act programs that are administered by the Corporation for National and Community Service (CNCS), including VISTA and the National Senior Service Volunteer Corps.

A decrease of \$15 million is proposed for the Dual Benefits Payments Account of the Railroad Retirement Board. For the SSA Limitation on Administrative

Expenses, a decrease of \$40 million is proposed. For Library Services, \$146 million was initially provided for FY1998 through the ED appropriation, and then transferred to the Institute of Museum and Library Services (IMLS); for FY1999, \$146 million is requested directly for the IMLS as an L-HHS-ED Related Agency.

The House Bill. At the Committee level, the House bill does not accept all of the funding levels proposed in the President's FY1999 budget.

- Advance funding for CPB would be increased by \$40 million, as requested, but the \$50 million separate request for the Digital Transition Fund Initiative would not be approved.
- The bill would provide a \$23 million increase for SSI discretionary activities, \$50 million less than requested.
- The bill would reduce the VISTA program by \$5 million and level fund the remaining programs of the Domestic Volunteer Service Act, rather than provide a funding increase of \$23 million.

The Senate Bill. At the Committee level, the Senate bill differs from the House proposal with regard to several programs.

- Advance funding for CPB would be the same as the House bill, but it would provide \$15 million to begin the Digital Transition Fund Initiative.
- The bill would provide an increase of \$115 million for SSI discretionary activities, \$86 million more than the House and \$36 million more than requested.
- The bill would increase both VISTA and the National Senior Volunteer Corps as requested, but level fund program administration for the Domestic Volunteer Service Act as in the House bill.
- The bill would increase the NLRB by \$9 million as requested, rather than the level funding provided in the House bill.

Public Law. The FY1999 L-HHS-ED Appropriations Act under P.L. 105-277 provides funding levels for related agency programs similar to those in the President's budget request.

- The \$50 million request for the CPB Digital Transition Initiative is funded at \$15 million, contingent on the enactment of a specific authorization by September 30, 1999.
- The IMLS is funded at \$166 million, \$20 million more than the request and the FY1998 amount.
- The SSA Limitation on Administrative Expenses is funded at \$4.1 billion, \$22 million less than the budget request and \$44 million below the FY1998 amount.

For Additional Reading

CRS Issue Briefs.

CRS Issue Brief 95063. *Public Broadcasting: Issues in the 105th Congress*, by Bernevia McCalip.

CRS Reports.

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 95-206. *Social Security's Treatment under the Federal Budget: a Summary*, by David Stuart Koitz.

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

CRS Report 97-340. *Supplemental Security Income (SSI) for Children: New Rules*, by Carmen Solomon-Fears.

Selected World Wide Web Sites.¹⁰

Armed Forces Retirement Home
[<http://www.afrh.com>]

Corporation for National and Community Service
[<http://www.cns.gov>]
[<http://www.cns.gov/nsn/47.html>]

Corporation for Public Broadcasting
[<http://www.cpb.org>]
[<http://www.cpb.org/library/pressreleases/02.02.98.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/budget.html>]

Medicare Payment Advisory Commission
[<http://www.propac.gov/index.htm>]

National Labor Relations Board
[<http://www.nlr.gov>]

¹⁰ Not all of the L-HHS-ED related agencies have web sites, and not all web sites include FY1999 budget information.

Railroad Retirement Board

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

[http://www.rrb.gov/budget_and_finances.html]

Social Security Administration

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

[<http://www.ssa.gov/budget/fy1999budget.html>]

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	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted^a
Armed Services Retirement Home	69	71	71	71	71
Corporation for National and Community Service: Domestic Volunteer Service Act Programs ^b					
—Volunteers in Service to America (VISTA)	65	73	60	73	73
—National Senior Volunteer Corps	163	174	163	174	174
—Program Administration	28	32	28	28	29
Domestic Volunteer Service subtotal	256	279	251	275	276
Corporation for Public Broadcasting (CPB), 2-Year Advance	300	340	340	340	340
CPB Digital Transition Fund Initiative ^c	0	50	0	15	15
Federal Mediation and Conciliation Service	33	35	35	35	35
Federal Mine Safety and Health Review Committee	6	6	6	6	6
Institute of Museum and Library Services ^d	146	146	146	156	166
Medicare Payment Advisory Commission	7	7	7	7	7
National Commission on Libraries and Information Science	1	1	1	1	1
National Council on Disability	2	2	2	2	2
National Education Goals Panel	2	2	2	2	2
National Labor Relations Board	175	184	175	184	184
National Mediation Board	9	8	8	8	8
Occupational Safety and Health Review Commission	8	8	8	8	8
Railroad Retirement Board Dual Benefits Payments	194	180	180	178	178
Railroad Retirement Board Limitation on Administration	93	91	91	96	96

Office or Major Program	FY1998 final	FY1999 request	FY1999 House Committee	FY1999 Senate Committee	FY1999 enacted ^a
Social Security Administration (SSA)					
—SSA, Special Benefits for Disabled Coal Minors	586	524	524	524	524
—SSA, Supplemental Security Income (SSI), mandatory	22,763	28,981	28,981	28,988	28,988
—SSA, Supplemental Security Income (SSI), discretionary	2,287	2,366	2,316	2,402	2,366
—SSA, Federal Funds, Other	20	20	20	20	20
—SSA, Limitation on Administrative Expenses	4,122	4,082	4,063	4,060	4,060
—SSA, Office of Inspector General	48	52	56	50	56
SSA subtotal	29,826	36,025	35,960	36,044	36,014
United States Institute for Peace	11	11	11	11	12
TOTALS, RELATED AGENCIES					
Total Appropriations ^e	31,139	37,447	37,295	37,440	37,421

Source: Amounts are compiled from the H.R. 4328 conference report, H.Rept. 105-825, as printed in the *Congressional Record*, daily edition, October 19, 1998.

^a The FY1999 enacted amounts are based on P.L. 105-277; 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 receives other funds for AmeriCorps Grants and related programs from the Veterans Affairs and Housing and Urban Development appropriations bill.

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

^d The FY1998 appropriations were initially made to ED and then transferred to the Institute; for FY1999, funds are appropriated directly to the Institute as an L-HHS-ED Related Agency.

^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 2nd Session of the 105th Congress, including supplemental appropriations and rescissions for FY1998 and the congressional budget resolution for FY1999.

P.L. 105-174 (H.R. 3579/S. 1768). The 1998 Supplemental Appropriations and Rescissions Act.¹¹ Among other provisions, this bill includes an additional \$9.0 million for the CDC Disease Control, Research, and Training program, and \$2.2 million more for HCFA Program Management; an offsetting rescission of \$11.2 million is made to the DHHS Health Professions Education Fund. In addition, \$20 million of existing DHHS funds are made available for Year 2000 conversion activities related to external contractor systems for Medicare. Modifications are made to spending authority for DHHS General Departmental Management and ED Special Education programs, and to general provisions for state child health plans and the notification period for public comments on the final rule for Organ Procurement and Transplantation Network. H.R. 3579 (conference report H.Rept. 105-504) was signed into law by the President May 1, 1998.

P.L. 105-240 (H.J.Res. 128). The **First FY1999 Continuing Resolution** provides appropriations on a temporary basis for most ongoing L-HHS-ED projects and activities, including the costs of direct loans and loan guarantees, for the period October 1 through October 9, 1998, unless a regular FY1999 L-HHS-ED appropriations bill is enacted sooner.¹² Funding is provided at the “current rate,” under FY1998 conditions and program authority.¹³ The resolution allows decreased funding levels only in instances where the House, the Senate, and the President have agreed to make a reduction, in which case the funding level would be the highest of the amounts proposed by the House, the Senate, or the President. New initiatives are prohibited, and extraneous provisions generally are excluded. Special provisions are made for programs with high spend out rates that normally would occur early in the fiscal year. The resolution deems that the House and Senate reported versions of the FY1999 L-HHS-ED appropriations passed the House and Senate respectively as of October 1, 1998, for purposes of the continuing resolution. H.J.Res. 128 passed the House by a vote of 421 to 0 on September 17, 1998; it was passed by unanimous consent by the Senate on the same day. H.J.Res. 128 was signed into law by the President September 25, 1998.

¹¹ For a summary of provisions, see CRS Report 98-123, *Supplemental Appropriations and Rescissions for FY1998*, by Larry Nowels, Coordinator.

¹² For background on continuing resolutions, see CRS Report 98-800, *Fiscal Year 1999 Continuing Resolutions*, by Sandy Streeter, Coordinator.

¹³ The term “current rate” as used in a continuing resolution refers to the amount of money available for an activity during the previous fiscal year. This amount usually means the appropriation for the previous year with adjustments for any supplemental appropriations, rescissions, unobligated balances, and sometimes for advance funding provisions as well. As a result, the current rate does not necessarily correspond to the FY1998 amounts stated in this report.

P.L. 105-249 (H.J.Res. 133). The **Second FY1999 Continuing Resolution** extends the provisions of P.L. 105-240 to the period October 1 through October 12, 1998. H.J.Res. 133 passed the House by a vote of 421-0 (roll call #511) October 9, 1998; passed the Senate by unanimous consent on the same day; and was signed into law by the President on the same day.

P.L. 105-254 (H.J.Res. 134). The **Third FY1999 Continuing Resolution** extends the provisions of P.L. 105-240 to the period October 1 through October 14, 1998. H.J.Res. 134 passed the House by voice vote October 12, 1998; passed the Senate by unanimous consent on the same day; and was signed into law by the President on the same day.

P.L. 105-257 (H.J.Res. 135). The **Fourth FY1999 Continuing Resolution** extends the provisions of P.L. 105-240 to the period October 1 through October 16, 1998. H.J.Res. 135 passed the House by voice vote October 14, 1998; passed the Senate by unanimous consent on the same day; and was signed into law by the President on the same day.

P.L. 105-260 (H.J.Res. 136). The **Fifth FY1999 Continuing Resolution** extends the provisions of P.L. 105-240 to the period October 1 through October 20, 1998. H.J.Res. 136 passed the House by voice vote October 16, 1998; passed the Senate by unanimous consent on the same day; and was signed into law by the President on the same day.

P.L. 105-273 (H.J.Res. 137). The **Sixth FY1999 Continuing Resolution** extends the provisions of P.L. 105-240 to the period October 1 through October 21, 1998. H.J.Res. 137 passed the House by voice vote October 19, 1998; passed the Senate by unanimous consent on October 20; and was signed into law by the President on October 20, 1998.

H.Con.Res. 284 (S.Con.Res. 86). The FY1999 concurrent resolution on the budget sets annual levels for the federal budget through FY2003.¹⁴ 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. S.Con.Res. 86 (S.Rept. 105-170) was amended and passed by the Senate April 4, 1998. H.Con.Res. 284 (H.Rept. 105-555) was amended and passed by the House June 5, 1998. The Senate passed H.Con.Res. 284, amended in lieu of S.Con.Res. 86, June 15, 1998, and appointed conferees for a conference with the House; there has been no formal action since then.

¹⁴ For a summary of the social services provisions of the budget resolutions, please see CRS Report 98-415, *Federal Budget: Social Spending Targets in the FY1999 Senate Budget Resolution*, by Dawn Nuschler, and CRS Report 98-521, *Federal Budget: Social Spending in the FY1999 House Budget Resolution*, by Dawn Nuschler.

Earlier Action on Appropriations in the 105th Congress. In action during the 1st Session of the 105th Congress, most L-HHS-ED appropriations for FY1998 were provided by P.L. 105-78, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1998 (H.R. 2264, conference report H.Rept. 105-390), which was signed into law by the President November 13, 1997.¹⁵ The President did not exercise the line item veto authority with respect to any of the P.L. 105-78 appropriations. Other legislation in the 105th Congress related to the FY1998 L-HHS-ED appropriations includes the following:

- The FY1998 congressional budget resolution, H.Con.Res. 84 (conference report H.Rept. 105-116), set out the spending plan for appropriations and reconciliation legislation for the period FY1998 through FY2002.
- Two reconciliation measures were enacted — P.L. 105-33 (H.R. 2015), the Balanced Budget Act of 1997, amended entitlement provisions, and P.L. 105-34 (H.R. 2014), the Taxpayer Relief Act of 1997, amended tax code provisions.
- Five continuing resolutions provided temporary FY1998 funding for L-HHS-ED programs prior to enactment of P.L. 105-78 (P.L. 105-46, P.L. 105-64, P.L. 105-68, P.L. 105-69, and P.L. 105-71).

¹⁵ For details on FY1998 appropriations, please see CRS Report 97-203, *Appropriations for FY1998: Labor, Health and Human Services, and Education*, by Paul M. Irwin.

Appendix A: Terminology

Appropriation¹⁶ 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 will 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 each of five 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 a legal authority to make payments to any person or unit of government that meets the eligibility criteria established by law; as such, it represents a legally binding obligation on the part of the federal government. Entitlement authority can be the result of either annual or permanent appropriation acts.

Federal funds are all monies collected and spent by the federal government other than trust funds. Federal funds include general, special, public enterprise, and intragovernmental funds, that is, all funds other than trust funds.

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 used to measure the effects of congressional budgetary actions in terms of the Budget Enforcement Act.

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

Trust funds are funds collected and used for carrying out specific purposes and programs according to the terms of a trust agreement or statute; such funds are not available for general purposes.

¹⁶ These definitions are based on CRS Report 91-902, *Manual on the Federal Budget Process*, by Allen Schick, et al.

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 \$1,687.3 billion in FY1998, as shown in **Table B.1**. Of this amount, \$842.0 billion is the estimated total for the departments and related agencies represented in the L-HHS-ED bill, or 49.9% of all federal budget authority.

Table B.1. Scope of the L-HHS-ED Bill
(Estimated FY1998 budget authority in billions)

Budget Category	Estimated amount in billions	Percent of total federal budget
Total Federal Budget	1,687.3	100.0%
U.S. Department of Labor	34.6	2.1%
U.S. Department of Health and Human Services	362.6	21.5%
U.S. Department of Education	34.8	2.1%
Social Security Administration (On-budget)	37.0	2.2%
Social Security Administration (Off-budget)	371.7	22.0%
Other Related Agencies	1.3	0.1%
L-HHS-ED Agency Total	842.0	49.9%
L-HHS-ED Bill, Total Current Year Funds	271.4	16.1%
L-HHS-ED Bill, Current Year Mandatory Funds	191.0	11.3%
L-HHS-ED Bill, Current Year Discretionary Funds	80.4	4.8%
Total Federal Discretionary Funds	552.7	38.2%

Source: *Budget of the United States Government Historical Tables Fiscal Year 1999*, table 5.2, and H.Rept. 105-635.

The estimated L-HHS-ED appropriation was \$271.4 billion in current funds for FY1998. Of this amount, discretionary funds are estimated at \$80.4 billion; mandatory funds constitute the remainder. The L-HHS-ED appropriations Committees generally have effective control only over the discretionary funds. These discretionary funds constitute approximately 4.8% 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.¹⁷ What accounts for the remaining L-HHS-ED funds?

¹⁷ The annual congressional budget resolution sets aggregate spending targets for budget 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.

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 \$271.4 billion and the agency total of \$842.0 billion in FY1998. 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.¹⁸

Second, **mandatory programs** account for the difference between the L-HHS-ED total of \$271.4 billion and the subtotal of \$80.4 billion for discretionary funds in FY1998. Although annual appropriations are made for these programs, 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 small number of DHHS programs are funded in **other appropriations** bills. These programs include:

- the Food and Drug Administration, which is funded in the Agriculture appropriations bill;
- the Indian Health Service in the Interior bill; and
- the Office of Consumer Affairs in the Veterans Affairs and Housing and Urban Development bill.

In addition, the Corporation for National and Community Service, one of the related agencies programs, receives some funds from the L-HHS-ED bill for programs authorized under the Domestic Volunteer Service Act of 1973, and other funds from the Veterans Affairs and Housing and Urban Development bill for AmeriCorps and other programs authorized by the National Community Service Act.

¹⁸ 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 \$842.0 billion total for L-HHS-ED departments and agencies in FY1998, the SSA accounted for \$408.7 billion, or 48.5% of the total. The SSA amount represents \$37.0 billion for designated on-budget activities and \$371.7 billion for off-budget activities.