### [COMMITTEE PRINT]

#### COMMITTEE ON EDUCATION AND THE WORKFORCE

# 112th CONGRESS - FIRST QUARTER ACTIVITIES REPORT

#### INTRODUCTION

The U.S. House Committee on Education and the Workforce, under the leadership of Chairman John Kline (R-MN), has been working diligently to address the challenges facing classrooms and workplaces since the 112<sup>th</sup> Congress convened just six months ago.

The committee and its four subcommittees oversee programs that affect Americans of every age and economic level. Education and workforce policies are vital to the success of our country and the future prosperity of our citizens. Advancing meaningful reforms in both arenas is a key component of our efforts to re-energize the economy and better prepare America's workers for 21<sup>st</sup> century challenges.

The committee is advancing fiscally responsible reforms that strive to provide children across the nation with access to a high quality education while also freeing workers to pursue the American Dream. In this time of worldwide economic instability and soaring federal deficits, fiscal responsibility is of the utmost importance. The need to reduce wasteful government spending and bureaucratic federal mandates guides the committee's agenda in the 112<sup>th</sup> Congress.

The Subcommittee on Early Childhood, Elementary, and Secondary Education, chaired by Rep. Duncan D. Hunter (R-CA), has jurisdiction over education from early learning through the high school level including, but not limited to, elementary and secondary education, special education, career and technical education, school lunch and child nutrition programs, teacher professional development, and early care and education programs. The subcommittee has been active in developing initiatives to modernize the Elementary and Secondary Education Act (ESEA), holding several hearings to review the federal regulatory burden on K-12 classrooms, as well as hearings that examine various reform proposals.

The Subcommittee on Workforce Protections, chaired by Rep. Tim Walberg (R-MI), has jurisdiction over workers' wages, workers' compensation, workers' safety and health issues, and trade and immigration issues as they affect employers and workers. The subcommittee has dedicated significant time to examining mine safety concerns, including holding hearings to evaluate the Mine Safety and Health Administration (MSHA) and its enforcement activities. Additionally, the subcommittee has been involved in highlighting federal regulatory burdens that could have negative consequences for job creation.

The Subcommittee on Higher Education and Workforce Training, chaired by Rep. Virginia Foxx (R-NC), has jurisdiction over education and training beyond the high school level. The subcommittee has held hearings to examine regulatory burdens on postsecondary education institutions and investigate redundancy and overlap of federal education and job training programs.

The Subcommittee on Health, Employment, Labor, and Pensions, chaired by Rep. Phil Roe, M.D. (R-TN), has jurisdiction over all matters dealing with relationships between employers and employees, employment-related health and retirement security, and equal employment opportunity and civil rights in employment. The subcommittee has focused much of its attention this Congress on examining the effects of the 2010 health care law and the National Labor Relations Board's (NLRB) impact on employers and workers.

#### SUMMARY OF ACTIVITIES

### A. Education Policy Initiatives

The House Committee on Education and the Workforce is focused on promoting policies that address the needs of American students and their parents. The committee has specifically initiated action on several major education priorities, including:

Reforming Elementary and Secondary Education

In his State of the Union address in January, the president called on Congress to reform our nation's elementary and secondary education laws to make them more flexible and focused on what is best for students. The committee shares this goal.

State and local leaders are already promoting innovative solutions to improve student achievement and accountability, including setting high standards for all students and reforming outdated teacher tenure rules. The committee strongly believes the federal government should reduce its involvement in the day-to-day operations of our schools and empower reform-minded state and local leaders to succeed. To this end, the committee is dedicating significant time to developing a series of education reform proposals that center on removing burdensome reporting requirements, eliminating inefficient federal education programs, providing states and school districts with additional flexibility in the use of federal funds, empowering parents, improving teacher quality, and increasing accountability for student achievement.

The committee is still in the process of negotiating the final form of most of these initiatives, but it recently approved the first in a series of bills to reauthorize the Elementary and Secondary Education Act. The *Setting New Priorities in Education Spending Act* (H.R. 1891), sponsored by Rep. Duncan Hunter, eliminates more than 40 wasteful, duplicative, and ineffective Elementary and Secondary Education Act programs, effectively reducing the number of programs tied to K-12 classrooms by half. Not only does this legislation take an important step toward streamlining and simplifying the federal role in education, it also helps ensure taxpayer dollars are not being wasted on ineffective initiatives.

### Empowering Parents through Support of High-Quality Schools

The committee strongly supports Congressional efforts to encourage choices that allow parents to send their students to higher performing public or private schools if their current school fails to provide a high-quality education. Empowering parents with more options is a key component in the fight to provide students with a quality education.

The D.C. Opportunity Scholarship program, created in 2003, has allowed thousands of students in the District of Columbia to attend the school of their choice. If not for this critical program, more than 85 percent of students who receive scholarships would be forced to attend some of the District of Columbia's lowest performing schools. The program is a lifeline to those families whose children are trapped in low-performing and failing schools. Despite special interest attempts to eliminate options for low-income parents in Washington, D.C., the committee worked with Speaker John Boehner (R-OH) in spearheading the successful bipartisan initiative to reauthorize and reinstitute the D.C. school choice program. Additionally, the committee continues its overall support for increasing parental choice through legislation that reforms and modernizes the existing Charter School Program to improve access to high-quality charter schools. The *Empowering Parents through Quality Charter Schools Act* (H.R. 2218), sponsored by Rep. Hunter, was recently approved by the committee.

# Ending Harmful and Job-Destroying Regulations

The committee strongly opposes recent regulatory actions that will put college access at risk for millions of low-income students and invite federal intrusion into academic affairs at institutions of higher education. The administration's insistence on moving forward with a gainful employment regulation targeting the proprietary (or private) sector will destroy jobs and stifle local economic development. Proprietary colleges are an important part of our nation's higher education system. Their efforts to prepare students for a variety of careers are essential to meeting the President's goal of leading the world in college graduation rates by 2020.

In an effort to protect student choice and help support a stronger workforce, on February 18, 2011, the committee offered an amendment to the *Full-Year Continuing Appropriations Act of 2011* (H.R. 1) to prohibit the U.S. Department of Education from implementing the gainful employment regulation. The House of Representatives adopted the amendment by a bipartisan vote of 289 to 136; unfortunately, the amendment was not included in the final legislation. However, the committee stands firm in its commitment to stop this job-destroying regulation.

The committee also recently approved legislation to repeal two additional regulations that put the federal government in the middle of issues that have historically been the responsibility of individual academic institutions, accrediting bodies, and/or states. The *Protecting Academic Freedom in Higher Education Act* (H.R. 2117) would repeal the unnecessary credit hour and state authorization regulations included in a program integrity package crafted in late 2010 and prohibit the U.S. Department of Education from setting a federal definition of credit hour permanently. Eliminating these regulations will help streamline the federal role in education and protect states, schools, and students from excessive regulatory burdens.

The committee is focused on increasing education opportunities for students and streamlining federal regulations to assist institutions in developing innovative and inexpensive ways to deliver educational opportunities. Looking forward, the committee will continue to closely monitor and scrutinize the actions of the administration, with particular focus on additional federal regulations. The committee will also continue to thoroughly examine the unintended consequences of federal regulations and work to ensure states, school districts, schools, and institutions of higher education can operate without unnecessary red tape from Washington.

### B. Workforce Policy Initiatives

The House Committee on Education and the Workforce is also devoting great attention to the needs of employers, job-seekers, and workers. The committee is specifically targeting action on several key workforce priorities, including:

Working to Repeal the 2010 Health Care Law and Lower Health Care Costs

The committee remains concerned the *Patient Protection and Affordable Care Act of 2010* (PPACA) will have a devastating effect on families, employers, and workers. As such, the committee has held several hearings over the last six months to explore the broad effects of the law.

U.S. Department of Health and Human Services Secretary Kathleen Sebelius testified in front of the full committee on May 5, about the department's policies and priorities. This hearing offered members an opportunity to directly question a member of the Obama Administration about various aspects of the law, as well as its implementation. Additionally, the committee has held hearings to review the ways that rising health care costs have affected the ability of employers to provide affordable employee health coverage.

The committee will continue to investigate PPACA and plans to conduct comprehensive oversight of the administration's efforts to implement the law. Further, the committee continues to support sensible proposals to lower the cost of health care and increase access to affordable health insurance coverage, such as Small Business Health Plans that would reduce financial pressures on employers, workers and their families.

*Improving Job Training and Employment Services* 

The committee is dedicated to improving job training opportunities for unemployed workers by streamlining unnecessary bureaucracy, eliminating duplicative programs, fostering economic development, and encouraging the creation of high-skill and high-wage opportunities for workers in the global economy.

A recent U.S. Government Accountability Office (GAO) report identified 47 separate job training programs administered by nine federal agencies. Of those 47 programs, GAO found 44 overlap with at least one other workforce development program. Considering the \$18 billion price tag attached to these programs, the committee is taking a leadership role in identifying ways to reduce costs, consolidate programs, and improve employment and training services. The

committee has jurisdiction over 33 of these programs and remains committed to consolidating these funding streams to simplify program administration and create more efficient programs at the state and local levels.

To this end, the committee has held hearings to examine duplication within job training programs as it begins the effort to reauthorize the Workforce Investment Act (WIA). WIA has helped integrate federal and state employment and training programs by requiring services be provided through a "one stop" delivery system. However, as the GAO report illustrates, the committee recognizes there are still areas where overlapping programs or services could be further consolidated and improved.

# Protecting Workplace Democracy

The committee remains determined to protect employee and employer rights under the National Labor Relations Act (NLRA) and ensure union transparency and democracy. Any efforts or actions undertaken by the National Labor Relations Board (NLRB) that could tip the scales of balance in labor-management relations deserve close review.

Since the beginning of the 112<sup>th</sup> Congress, the committee has significantly ramped up its oversight of the NLRB. Cases such as Specialty Healthcare, the recent NLRB complaint filed against The Boeing Company, and concerns about corporate campaigns have been the subject of committee scrutiny in the form of letters, hearings, and outreach. The committee will continue its strong oversight of the NLRB throughout this Congress.

#### Enhancing Workplace Health and Safety

The committee remains dedicated to ensuring the health and safety of all American workers. To that end, we support policies that incorporate both proactive safety programs and appropriate enforcement of existing workplace safety laws. Over the last five months, the committee has held hearings to examine the efficacy and enforcement of current workplace safety regulations, with particular emphasis placed on reviewing the Mine Safety and Health Administration (MSHA).

Over the last year, MSHA has undertaken a number of actions intended to improve mine safety, including the issuance or proposal of several new regulatory initiatives, expanded mine inspections, and more aggressive legal and enforcement activities. While these efforts are welcome, the committee wants to ensure MSHA is effectively utilizing the current regulatory, legal, and enforcement tools at its disposal.

The committee has held hearings with MSHA officials to examine its enforcement activities and will continue to examine and evaluate the agency's performance. Protecting the health and well-being of America's miners remains a top committee priority.

## **EDUCATION GOALS AND ACTIVITIES**

No one can deny the importance of providing children with a quality education. A student's achievement in the classroom determines his or her future success in the workplace. Make no

mistake: education is a jobs issue; supporting a world-class education system is critical to the strength of the American economy and workforce.

Since the start of the 112<sup>th</sup> Congress, the House Committee on Education and the Workforce has actively engaged in a discussion about the state of education in the nation. We have heard from state and local school leaders, policy experts, reformers, teachers, and students about education successes and challenges. We learned those struggles are all too often caused by an overly intrusive federal presence.

The committee also recognizes tough budgetary realities. The budget of the U.S. Department of Education and the role of the federal government in education have grown significantly over the last 45 years with negligible improvement in academic achievement. Our commitment to education should never be measured in the amount of money the federal government spends; it should be measured by the quality of our programs and policies.

All students should receive a high-quality education that will prepare them to succeed in college and in the workforce. Now more than ever, our nation's students must graduate high school and college with the skills necessary to compete in the rapidly changing global economy.

### A. Strengthening K-12 Education

The committee is evaluating the affects of federal education legislation and regulations on our nation's classrooms. The state of the American education system is sobering. Too many children are not reading at grade level. Reading, math, and science performance by U.S. students trails far behind our counterparts in other developed countries. A meager 57 percent of students with disabilities, 56 percent of African American students, and 52 percent of Hispanic students graduate from high school.

The committee is committed to re-evaluating the federal role in elementary and secondary education. Over the last four decades, our nation's federal education policies have demonstrated that massive amounts of federal funding and top-down interventions are not the way to create a high-quality K-12 education system in America.

The federal government is too involved in our nation's classrooms, and the committee believes states and local school districts should have the primary responsibility for public education. The committee is working to reduce the size and scope of the U.S. Department of Education, roll back federal bureaucratic requirements and regulations, and eliminate and consolidate ineffective and duplicative federal education programs to help balance the budget and get the federal deficit and debt under control. These efforts will empower parents, teachers, and school leaders to address unacceptable achievement gaps and prepare students for postsecondary education and the workforce.

To ensure student success, the committee is focused on doing what's best for students, parents, teachers, and communities. This means helping children achieve their full and unique potential by equipping them with the tools and knowledge to succeed in the 21<sup>st</sup> century, and ensuring America's educational system is the best in the world. To accomplish these objectives, Congress

must streamline federal spending, promote flexibility and innovation, improve teacher quality, and empower parents.

These principles are guiding our efforts to reform federal education policy and protect the rights and responsibilities of states, local communities, and taxpayers when it comes to educating the next generation. Based on hearings to examine the current state of our education system, the committee has begun work on a series of education reform bills to reduce the federal burden on schools and empower state and local reforms The committee's efforts to date and the outlook for the balance of the year reflect these priorities.

### Eliminating Duplicative and Unnecessary Programs

In 1965, Congress passed the Elementary and Secondary Education Act (ESEA) with the limited goal of providing states and local school districts additional resources to ensure disadvantaged students have access to a quality education. In the more than four decades since passage of ESEA, federal control of education has steadily increased and spending has exploded. Today, the United States spends more than \$10,000 per pupil per year, nearly triple what was spent in 1965. Despite this record investment in public education by federal, state, and local governments, national academic performance has not improved. Math and reading scores have largely remained flat, graduation rates have stagnated, and researchers have found serious shortcomings with many federal education programs.

The Setting New Priorities in Education Spending Act (H.R. 1891), sponsored by Rep. Duncan Hunter, is the first step in the committee's education reform efforts. Under the current ESEA, the U.S. Department of Education operates more than 80 separate programs. Many of these are duplicative, ineffective, or too small to have a meaningful impact, which results in waste and inefficiency. As the Council of the Great City Schools stated in its letter of support for this legislation, "... an array of small grant programs contributes little to the academic attainment necessary for national competitiveness nor helps overcome the achievement gaps that serve as a persistent barrier to educational and economic opportunity." The committee considered and passed this legislation on Wednesday, May 25, 2011, and looks forward to moving it to the House Floor.

### Reforming the Current Charter School Program

Charter schools are independent public schools that embody two key principles American families want from the nation's public education system: choice and flexibility. These public schools emphasize parental involvement, encourage innovative instruction, and set high academic expectations for their students. The current charter school program at the U.S. Department of Education offers support to open charter schools. While successful, the program

<sup>&</sup>lt;sup>1</sup> U.S. Department of Education, National Center for Education Statistics. (2010). *Digest of Education Statistics*, 2009 (NCES 2010-013) Table 180 and Chapter 2.

<sup>&</sup>lt;sup>2</sup> Letter from the Council of Great City Schools to The Honorable John Kline, Chairman, Education and the Workforce Committee, May 23, 2011.

needs to be modernized and streamlined to better reflect the position of charter schools in the nation. On June 1, 2011, the Subcommittee on Early Childhood, Elementary, and Secondary Education held a hearing entitled "Education Reforms: Exploring the Vital Role of Charter Schools." At the hearing, the committee examined the exceptional ability of charter schools to meet the education needs of special communities and individual communities, and looked at ways to improve the quality and expand access to high-quality charter schools. The *Empowering Parents through Quality Charter Schools Act* (H.R. 2218), sponsored by Rep. Hunter, was recently approved by the committee. This legislation supports the creation of new innovative models of charter schools, replicates and expands high-quality charter schools, incentivizes states to end discriminatory practices against charter schools, and improves state and authorizer support for charter schools.

### Providing States and School Districts Funding Flexibility

The federal government currently operates a myriad of separate, siloed elementary and secondary education programs, each with their own application requirements, reporting requirements, uses of funds, and eligibility requirements. Many of these programs contain restrictive provisions that hamper the ability of states and local school districts to innovate or fund initiatives that would best address the needs of their individual students. The committee is focused on providing states and school districts with maximum flexibility to target federal resources where they are needed most. On April 7, 2011, the full committee held a hearing entitled "Education Reforms: Promoting Flexibility and Innovation." The hearing included witnesses who spoke of the importance of giving state and local officials funding flexibility to help them tailor programs to meet more closely their students' unique needs and priorities. Looking forward, the committee will consider legislation to provide funding flexibility that will empower states and local schools to use federal dollars on programs that suit their unique needs.

#### Promoting Effective Teachers in America's Classrooms

Studies have consistently shown teacher quality to be among the most influential factors in improving student academic achievement. The federal government is currently spending nearly \$2.5 billion on the Improving Teacher Quality State Grants program (authorized under Title II of ESEA), yet the program yields few results. Federal support of teacher quality programs was further highlighted in the April 6, 2011, full committee hearing entitled "Streamlining Federal Education and Workforce Programs: A Look at the GAO Report on Government Waste." At that hearing, the Comptroller General discussed the findings of its report, titled "Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue." In the report, the U.S. Government Accountability Office (GAO) identified 82 distinct programs specifically focused on helping improve teacher quality, either as a primary purpose or as an allowable activity, administered across 10 federal agencies. Many experts believe federal teacher quality programs have failed to make significant progress in helping states and school districts close achievement gaps between schools serving students from different socioeconomic backgrounds in part because of the fragmentation of programs that focus on teaching and learning.

The committee is committed to consolidating duplicative and ineffective teacher quality programs and refocusing the main Teacher Quality State Grant program on encouraging creative approaches to help states and school districts recruit, hire, train, and reward effective teachers and school leaders. Every student should be in a classroom with an outstanding teacher and a school with outstanding leadership.

### Addressing Accountability for School and Student Performance

The committee recognizes the need to answer the questions of "to whom" and "for what" when considering accountability. Unfortunately, years of a top-down approach to education reform has not significantly improved student performance; instead, it has tied the hands of state and local reformers. The committee is working with all interested parties to expand state and local accountability, promote parental engagement and choice, and provide transparent data to foster academic achievement. Fundamentally, the committee believes schools should be accountable to parents, the local communities they serve, and their states in ensuring all students have access to a quality education that prepares them for postsecondary education and success in the workforce. The committee remains committed to reducing the federal footprint in education so states and school districts are free to pursue innovative approaches to reforming public education. The committee will also continue to closely monitor the actions of the Obama Administration that impose additional requirements on states and school districts in exchange for granting waivers from the law's burdensome requirements. Contrary to the administration's rhetoric, waivers are a blatant attempt to coerce states and school districts to adopt the administration's reauthorization proposal and bypass the authority of Congress.

## Making Special Education a Priority

Too often, federal education policy piles on new and burdensome requirements and creates additional duplicative programs at the expense of key priorities. Since passage of the Individuals with Disabilities Education Act (IDEA), the federal government has fallen far short of its commitment to fully fund Part B (the Grants to States Program) of IDEA. To provide some relief to school districts, the committee spearheaded an effort to restore proposed reductions to IDEA funding during debate on the *Full-Year Continuing Appropriations Act of 2011* (H.R. 1). An amendment offered by Chairman Kline and Rep. McMorris Rodgers (R-WA) restored nearly \$558 million in IDEA Part B funding to address this shortfall in the federal government's commitment to states, school districts, and students with disabilities. The committee will continue to focus on key education priorities like supporting states and school districts in meeting their requirements to serve the needs of students with disabilities.

#### B. Encouraging Student Choice and Opportunity in Higher Education

American colleges and universities attract students from around the world; few countries can compete with the wide array of higher education institutions and courses available in the United States. Through the first quarter of the 112<sup>th</sup> Congress, the committee has promoted policies that support continued diversity and choice in the higher education system to best prepare today's students to join tomorrow's workforce.

With the next reauthorization of the Higher Education Act currently scheduled for 2014, the committee's higher education agenda has focused on overseeing the U.S. Department of Education's implementation of the 2008 reauthorization and regulatory initiatives. Through these efforts, the committee remains committed to promoting college access and blocking policies that may adversely affect the ability of students to complete a postsecondary education.

### Ensuring the Diversity of America's Higher Education System

The American higher education system is one of the most diverse in the world. With more than 6,000 colleges and universities participating in federal student aid programs, students have the freedom to select the college that best fits their needs and those of their families. The committee has taken steps to stop the U.S. Department of Education's recent regulatory packages that undermine student choice and inject the federal government into academic affairs decisions.

Throughout the month of March, the committee examined the regulatory burden imposed by the department on all levels of higher education. From witness testimony provided at the hearings, the committee learned of the harmful consequences of federal regulations on colleges and universities. Institutions have to train and maintain whole departments to monitor compliance with federal and state laws and regulations. When institutions have to spend more of their limited resources on compliance with burdensome federal requirements, they have less to spend on educating students, which results in dramatic increases in tuition costs. Colleges and universities should be spending time examining their programs to ensure they are meeting local and national workforce needs, not complying with bureaucratic requirements that serve little to no purpose.

On March 11, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Education Regulations: Federal Overreach into Academic Affairs." The hearing focused on the effects of the department's state authorization and credit hour regulations and the harmful and burdensome consequences these regulations will have for institutions of higher education. Specifically, the department's actions could limit the ability of institutions to provide innovative programs, which could result in fewer people matriculating into the workforce. Additionally, these regulations infringe on the heart of academia by trying to create a one-size-fits-all definition of credit hour and force colleges to focus more on seat time rather than student learning when awarding credit hours. Based on the testimony at the hearing, the committee considered and passed the *Protecting Academic Freedom in Higher Education Act* (H.R. 2117), introduced by Rep. Virginia Foxx (, to repeal the credit hour and state authorization regulations that will drive up the cost of college and impede the ability of institutions to expand to meet the growing demand of postsecondary education. With a strong bipartisan vote, the committee looks forward to moving it to the House Floor.

The committee is also focused on the U.S. Department of Education's harmful gainful employment regulation. On March 17, the full committee held a hearing entitled "Education Regulations: Roadblocks to Student Choice in Higher Education." At the hearing, committee members heard from individuals concerned with the gainful employment regulation. Committee members discovered that the regulation predominately focuses on the proprietary school sector despite the fact that the problem of high student debt levels exists throughout American higher education. Proprietary colleges are particularly helpful during times of economic distress because

their programs are focused on making sure students have the necessary workforce skills to succeed in the global economy. Additionally, these colleges are more nimble than other sectors of higher education and are able to start up programs quickly in response to voids in a community. Despite changes in the final regulation, the committee believes this regulation is problematic. The rule remains focused predominately on one sector of higher education, will impede local economic development, and does nothing to weed out the bad actors. The committee will continue to take steps to block this problematic job destroying regulation.

### Examining the Impact of Higher Education on the Workforce

The committee is focused on improving higher education and creating jobs at a time when unemployment is plaguing many Americans. We believe a quality postsecondary education system and a strong workforce are vital to America's success in an increasingly global economy. Both rely on constant innovation to keep pace with rapid changes, domestically and globally. The committee's goal is to improve coordination between the higher education and workforce development systems in order to train more Americans to be well-prepared for the future needs of our nation's workforce. To this end, the committee held three field hearings to discuss how the business community, local workforce investment boards, and postsecondary institutions are working together to build a strong workforce to maintain America's competitiveness. The hearings, entitled "Reviving Our Economy: The Role of Higher Education in Job Growth and Development," were held in Wilkes-Barre, Pennsylvania, on March 21, 2011; Utica, New York, on March 22, 2011; and Columbia, Tennessee, on April 21, 2011. In all three field hearings, committee members and witnesses focused on ways to improve higher education and made it clear that America cannot succeed without a high-quality higher education system that works closely with our evolving workforce.

### Putting Pell Grants on a Path to Stability

The Pell Grant program is the foundation of our nation's commitment to assist low-income students in accessing higher education. The committee is concerned about the runaway cost of the Pell Grant program and, going forward, will work with the U.S. House Committee on Appropriations to ensure the Pell Grant program is available to students who need it most. Funding for the Pell Grant program has tripled over the last five years and is expected to cost approximately \$37 billion in FY 2012 – an amount equal to the total discretionary budget figure of all other K-12 and higher education programs run by the U.S. Department of Education. Over the last several years, the program has grown beyond its original intent, making financial promises to students that American taxpayers simply cannot afford to keep. The committee is determined to put the Pell Grant program back on the path to long-term fiscal stability, enabling millions of low-income students to pursue their dream of a postsecondary education.

#### WORKFORCE GOALS AND ACTIVITIES

The American workforce faces significant challenges. Unemployment is greater than 9 percent, and unemployed workers often are so discouraged by searching for work that they leave the labor force entirely. The committee has focused its efforts thus far in the 112<sup>th</sup> Congress on

examining practices that support job creation and working to eliminate those practices that prevent employers from expanding their operations or hiring additional workers.

Working to Repeal the New Health Care Law and Ensure Lower Health Care Costs

As one of its first votes of the year, the U.S. House of Representatives passed H.R. 2, *Repealing the Job Killing Health Care Law Act*, by a vote of 245-189. Despite inaction by the U.S. Senate, and the likely opposition of the administration, House and Committee Republicans continue to believe full repeal of the new health care law, the *Patient Protection and Affordable Care Act of 2010* (PPACA), is a necessary first step in fiscally responsible efforts to lower the costs of health care and insurance coverage for all Americans.

Since most Americans obtain their health coverage through their employer, and because we remain concerned that rising health care costs continue to place significant strains on businesses, employees, and families, the committee has launched an examination of the PPACA and its impact on Americans, employer-sponsored coverage, and health care costs.

- To further examine the new health care law, the full committee held a hearing entitled "The Impact of the Health Care Law on the Economy, Employers and the Workforce." At that hearing, the committee heard testimony indicating the PPACA will increase the deficit, increase health care and insurance costs, reduce employment, and hinder job creation. Of note, one witness testified that 3 to 5 percent of the increase in her company's health insurance costs is attributed to the new mandates and administrative costs caused by the PPACA that are effective in 2011. The committee also heard recommendations on measures that would serve to lower employers' health care costs.
- The Subcommittee on Health, Employment, Labor, and Pensions held a hearing entitled "The Pressure of Rising Costs on Employer Provided Health Care." Testimony from the hearing revealed employer-sponsored health plans will continue to experience significant cost inflation, and mandates and administrative requirements in the PPACA will only exacerbate and accelerate health care cost growth. Further, because of the PPACA's employer mandate, many employers will likely drop their insurance coverage and pay the \$2,000 per employee penalty, which for many employers will be far less expensive than continuing to provide health care benefits. One witness testified that the fines and new costs in the PPACA "may well incinerate more than \$26 million that [the company] would have invested, as well as more than 500 jobs we could have created."
- Along with hearing from employers, the committee sought testimony from the U.S.
  Department of Health and Human Services Secretary Kathleen Sebelius. At that hearing,
  the committee heard testimony regarding the impact of an underfunded PPACA program
  to subsidize retiree health insurance costs and the fiscal impact of the PPACA on state
  and federal governments.
- In June, the Subcommittee on Health, Employment, Labor, and Pensions held a field hearing in Evansville, Indiana, entitled "The Recent Health Care Law: Consequences for Indiana Families and Workers," and heard testimony from a physician, a representative of the Indiana Department of Insurance, and several local and business representatives. The

subcommittee heard testimony that the PPACA has contributed significantly to the destabilization of the Indiana health insurance market, has increased costs for Indiana employers and individuals, and will reduce employment.

As a result of these hearings, the committee is learning the full extent of the negative financial and administrative burdens on individuals and job creators as a result of the PPACA. New insurance mandates are increasing costs, and will continue to do so into the foreseeable future, with little relief for individuals and employers struggling to maintain and provide health insurance coverage. New penalties in the PPACA, like the employer mandate, will place an unsustainable burden on employers with limited financial resources and low profit margins, and will provide a significant incentive for many employers to drop employer coverage and pay the lower-cost penalty. New regulations that were supposed to protect employers from costly PPACA mandates, like the so-called "grandfather" regulation, fail to provide relief to employers and will result in significant changes to the coverage enjoyed by millions of people – contrary to the president's repeated promise that if you like your coverage, you'll be able to keep it under the PPACA. New taxes, like the 2.3 percent tax on most medical devices, will be passed through to the extent possible to consumers, which will increase costs and likely inhibit job growth at medical device makers. Finally, the creation of a massive new \$2.6 trillion entitlement program, ostensibly paid for by raiding Medicare and increasing taxes on American employers and workers, will substantially increase the federal deficit at a time when America can least afford it.

Considering the results of the hearings to date, the committee will continue to investigate the PPACA and the implementation of the government takeover of the health care system by the administration. As part of this ongoing process, the committee will continue to conduct oversight of the administration's efforts to implement the law and oppose regulatory efforts that increase burdens on businesses and workers. Further, the committee will examine efforts to support sensible proposals to lower the cost of health care and increase access to affordable health insurance coverage, such as Small Business Health Plans, that would reduce financial pressures on employers, workers, and their families.

#### Promoting Retirement Security

The committee has continued its efforts to strengthen the retirement security of American workers by protecting existing pensions, cutting regulatory burdens, and increasing opportunities for retirement savings. This involves fighting against proposals that would limit opportunities for workers to participate in 401(k) retirement accounts or increase the costs of such accounts through burdensome regulations and increased liability and litigation. In this way, the committee has engaged a broad variety of stakeholders troubled by a U.S. Department of Labor (DOL) proposed regulation greatly expanding the definition of "fiduciary." If finalized, the proposed rule would have a destabilizing effect on the relationship between defined contribution pension plans and their service providers. The committee has communicated these concerns to the department and requested that the rule be reconsidered and reproposed.

The committee also supports fiscally responsible efforts to ensure the continued viability of the defined benefit pension structure. To this end, the committee has scrutinized proposals included in the president's budget that would give the Pension Benefit Guaranty Corporation (PBGC) the unfettered discretion to determine premium amounts. Specifically, the committee will continue

to guard against efforts to utilize this vague and undefined proposal to address budget concerns which, while legitimate, should not determine important policy changes affecting the future retirement security of American workers.

These, and other concerns regarding our private pension system, were addressed in a hearing of the Subcommittee on Health, Employment, Labor and Pensions (HELP) on June 14, 2011, entitled "Retirement Security: Challenges Confronting Pension Plan Sponsors, Workers, and Retirees." The hearing was an overview of the various economic and regulatory challenges facing pension plan sponsors and the impact of these issues on plan participants and retirees. Witnesses addressed defined benefit plan underfunding, PBGC concerns, and DOL regulatory issues.

### Improving Job Training and Employment Services

With the nation's unemployment rate greater than 9.1 percent and millions of Americans out of work, our nation's job training programs are more important than ever. The committee is dedicated to strengthening and improving those programs and services under the Workforce Investment Act (WIA) designed to put Americans back to work and make the United States more competitive in the global economy. We can best do this by eliminating duplication, improving accountability, enhancing the role of employers, and increasing state and local flexibility to better serve our nation's workers. Together, these reforms will ensure the nation's workforce development system can respond quickly and effectively to the changing needs of job seekers and those in need of training.

Over the last six months, the committee has focused on holding hearings in an effort to determine those important issues that should be addressed through the upcoming reauthorization process. On April 6, 2011, the full committee held a hearing entitled "Streamlining Federal Education and Workforce Programs: A Look at the GAO Report on Government Waste" and on May 11, 2011, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Removing Inefficiencies in the Nation's Job Training Programs." At both hearings, the GAO highlighted the findings from its recent report titled "Multiple Employment and Training Programs: Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies," which revealed that the federal government operates 47 separate and distinct employment and training programs across nine different federal agencies. Together, the programs spent approximately \$18 billion on employment and training services.\(^3\) Almost all of the federal employment and training programs provide comparable services to similar populations and overlap with each other.

Only five of the 47 programs conducted impact studies that evaluate whether the services they provide improved employment outcomes. For those programs, the impact studies found the effects of participation tended to be inconsistent or were restricted to short-term impacts. Nineteen of the programs reported that some other type of review or study had been conducted since 2004, and 23 of these programs did not claim to conduct any type of study that reviewed

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<sup>&</sup>lt;sup>3</sup> GAO Report 11-92, Multiple Employment and Training Programs: Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies, p. 5, January 10, 2011.

performance. These hearings highlighted the overlapping, fragmented, and duplicative programs that exist and discussed ways to reduce the regulatory burden imposed on states and localities to comply with multiple federal requirements.

Going forward, the committee is dedicated to improving job training opportunities for Americans by streamlining unnecessary bureaucracy, eliminating duplicative programs, and fostering economic development. The committee will work with other congressional committees with jurisdiction over job training programs to consolidate duplicative and ineffective programs, improve coordination among workforce development programs, and eliminate wasteful spending that is adversely affecting our nation's employment and training system. This effort will ensure job seekers and employers are better served and able to access a more nimble workforce development system.

### Protecting Workplace Democracy

The committee remains committed to ensuring union transparency and accountability. To that end, on March 31, 2011, the Subcommittee on Health, Employment, Labor and Pension held a hearing entitled "The Future of Union Transparency and Accountability" to examine how the Office of Labor-Management Standards' (OLMS) recent and future regulatory reforms have affected union transparency and accountability. At the hearing, witnesses expressed concern for the future reporting of union trusts, union officer and employee compensation, and union receipts. Moreover, concern was expressed regarding the extent to which these reforms would impede the ability of rank-and-file union members to understand and account for the management of their union. As such, the committee will continue to monitor OLMS regulatory reforms in order to evaluate their efficacy and to better assess the need for legislation in this area.

### Reforming the Federal Employees' Compensation Act

During the first quarter of the 112<sup>th</sup> Congress, the committee launched an examination of the Federal Employees' Compensation Act (FECA), the federal statute that provides workers' compensation benefits to federal employees. As part of that effort, on May 12, 2011, the Subcommittee on Workforce Protections held a hearing entitled "Reviewing Workers' Compensation for Federal Employees." At the hearing, witnesses from the Congressional Research Service, the Government Accountability Office, the U.S. Department of Labor (DOL), and the American Postal Workers Union provided background information on the FECA statute and the inner workings of the FECA program. Witnesses also discussed ways to improve and modernize FECA, focusing substantial attention on a draft reform package crafted by the Obama Administration. The administration's proposed reforms would incorporate a number of best practices of state workers' compensation programs, improve return-to-work procedures, streamline claims processing, and update benefit levels.

Following up on the May 12 hearing, the committee conducted a thorough review of the administration's FECA reform package. Specifically, the committee met with DOL's Office of Workers' Compensation Programs – which administers the FECA program – and other stakeholders to collect additional information and field varying perspectives on the administration's proposed reforms and FECA reform in general. The committee expects to

consider legislation soon that will improve and update the law in ways that increase the program's efficacy and better serve its beneficiaries.

# Enhancing Workplace Health and Safety

The committee remains dedicated to ensuring the health and safety of all American workers. To that end, the committee has held hearings and engaged in other oversight activity to promote workplace safety and health policies that incorporate both proactive safety programs and appropriate enforcement of existing workplace safety laws.

### • Examining the Occupational Safety and Health Administration

The committee has carefully scrutinized the Occupational Safety and Health Administration's (OSHA) regulatory agenda, giving particular attention to its effect on both workplace safety and job creation. On February 15, 2011, the Subcommittee on Workforce Protections held a hearing entitled "Investigating OSHA's Regulatory Agenda and Its Impact on Job Creation." The hearing examined OSHA's regulatory priorities and its apparent disregard for stakeholder input. The committee is especially concerned by OSHA's failure to consider the impact of its proposals on smaller businesses. Without sufficient stakeholder input, OSHA risks promulgating costly and burdensome regulations that may do little to protect workers. At least two OSHA regulatory proposals had to be withdrawn because the agency failed to recognize the economic impact on stakeholders, and could provide little evidence the proposals would improve workplace safety.

The committee also examined OSHA's efforts to oversee workplace safety efforts at the state level. On June 16, 2011, the Subcommittee on Workforce Protections held a hearing entitled "Is OSHA Undermining State Efforts to Promote Workplace Safety?" Under current law, states have the option to manage their own workplace safety programs ("state plan states") or remain under the auspices of the federal OSHA. The committee's hearing examined the interaction of the agency with the state plans, and a recent DOL Office of Inspector General (OIG) report critical of OSHA's ability to establish performance benchmarks for both the agency itself and the state plans it oversees. The committee will continue to monitor the manner in which OSHA injects itself into the management of state plan states.

# • Examining the Mine Safety and Health Administration

The committee continues to closely monitor actions taken by the Mine Safety and Health Administration (MSHA) intended to improve mine safety, including the issuance or proposal of several new regulatory initiatives, expanded mine inspections, and more aggressive legal and enforcement activities. The committee has also conducted oversight to ensure the agency is fully and effectively utilizing its current regulatory, legal, and enforcement tools.

As part of its efforts to hold MSHA accountable for its actions, the Subcommittee on Workforce Protections held a hearing on March 3, 2011, entitled "Examining Recent Regulatory and Enforcement Actions of the Mine Safety and Health Administration." The sole witness at the hearing was MSHA Assistant Secretary Joe Main. The committee examined regulatory and policy changes MSHA has implemented in the wake of the Upper Big Branch mining disaster. The hearing provided committee members with an opportunity to learn more about MSHA's specific activities and assess their overall effectiveness in improving mine safety.

The Subcommittee on Workforce Protections held a second hearing on mine safety on May 4, 2011, entitled "Modernizing Mine Safety." The hearing focused on the proactive steps taken by stakeholders to improve mine safety. Witnesses also discussed concerns about MSHA's inconsistent inspection protocols that may be increasing citation volume, but are doing little to improve mine safety.

The committee also directed MSHA to produce audit information prepared by the Office of Accountability regarding the agency's enforcement activities. The committee subsequently requested that the department's Office of Inspector General undertake its own review of the audit information in order to determine if MSHA has fully addressed questions raised by the Office of Accountability.

#### **OVERSIGHT PLAN AND ACTIVITES**

On January 25, 2011, the committee adopted an oversight plan for the 112<sup>th</sup> Congress. The committee's oversight plan ensures its work is well-informed and that Congress meets its responsibility for evaluating the effectiveness and administration of federal laws. As Chairman Kline stated during committee consideration of the oversight plan, "The American people no longer accept waste, fraud, and abuse as unavoidable costs of the federal government. Taxpayers simply cannot afford government programs that go on year after year without any accountability for the money they spend or the results - or lack of results - they achieve." Diligent oversight of federal programs will help promote policies that lead to job creation, reforms that improve public education, and innovative practices that prepare our nation's workers for success in the global economy.

Conducting oversight is an established responsibility of the Congress. The power to gather information and investigate is essential and inherent to the legislative process. It is Congress's obligation to monitor proposed federal rules to ensure laws are implemented as Congress intends. Likewise, Congress has the power to obtain information and conduct investigations to improve agency implementation of existing laws and inform the development of any needed legislation.

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<sup>&</sup>lt;sup>4</sup>The April 5, 2010, explosion at the Upper Big Branch Mine in West Virginia killed 29 miners in the worst coal mine disaster in almost forty years. The accident investigation by MSHA is ongoing as is the State of West Virginia's accident investigation. The Department of Justice also initiated a criminal investigation.

<sup>&</sup>lt;sup>5</sup> Education and the Workforce Committee consideration of Committee Oversight Plan, January 25, 2011.

Congress also exercises this power when examining situations involving waste, fraud, and abuse. In the end, taxpayers benefit from a robust examination of current practices.

The committee's oversight plan for the 112<sup>th</sup> Congress identified several issues of interest:

- Financial Interests of Students and Taxpayers
- Access to Educational Options for Students
- Department of Labor Implementation of Workplace Laws and Regulations
- Workplace Safety Laws
- Union Democracy
- Health Care and Employer-sponsored Health Benefits Plans
- Retirement Security

During the first quarter of the 112<sup>th</sup> Congress, the committee focused much of its efforts on oversight activities. The committee examined federal programs and practices in each of the issues of interest in the committee's oversight plan. Nearly all of the committee's hearings sought to fulfill the committee's oversight obligations. The committee's oversight work includes the following:

- On April 6, 2011, the committee sought the assistance of the GAO in identifying waste within federal education and workforce programs. The committee sought additional assistance from the GAO in identifying duplicative education programs and evaluating the quality of program implementation within the U.S. Department of Education. This work contributed to legislation, the *Setting New Priorities in Education Spending Act* (H.R. 1891), considered and passed by the committee, to eliminate duplicative and unnecessary federal education programs.
- The committee also investigated the GAO Forensic Audit and Special Investigations unit (FSI) in conjunction with the U.S. House Committee on Oversight and Government Reform. This investigation resulted in a fundamental reworking of the FSI unit, including reassignment of staff involved in the development of a flawed report on the proprietary higher education sector issued by the FSI unit.
- The committee held four hearings directly examining federal education regulations, with additional hearings also examining regulatory burdens imposed by the U.S. Department of Education on states, school districts, and institutions of higher education. These hearings looked at federal regulation, both existing and proposed rules, on K-12 and higher education. The hearings and related oversight efforts resulted in legislation, the *Protecting Academic Freedom in Higher Education Act* (H.R. 2117), which would ease the regulatory burden on higher education institutions. The committee expects that additional legislative proposals will be considered to streamline and eliminate regulations that hinder the ability of states, school districts, colleges and universities, principals, teachers, and parents to focus on helping students achieve. Removing unnecessary federal requirements allows schools and faculty to focus on providing a high quality education for our nation's students.

- The committee also regularly monitors the implementation of the school lunch and breakfast programs currently authorized under the *Child Nutrition Act* and the *Richard B. Russell National School Lunch Act*. The committee examined the U.S. Department of Agriculture's implementation of the recently reauthorized school lunch and breakfast programs to ensure that "unwarranted costs and unmanageable requirements" are not being imposed upon schools and school districts. The committee held an oversight hearing to raise concerns and questions with the department's actions. The committee also formally submitted comments to the proposed regulations. This action resulted in language included in the committee report accompanying the *Agriculture Appropriations Act* (H.R. 2112) directing the Secretary of Agriculture to revise the nutrition standards regulation in an effort to reduce the burden on school districts.
- The committee will continue to use its oversight responsibility to ensure the Corporation for National and Community Service appropriately uses taxpayer funds, including adequately monitoring its subgrantees to ensure participants are not engaged in prohibited activities. The committee is aware of a potential misuse of federal funds by a corporation subgrantee. The committee is taking action, including holding a hearing before the Subcommittee on Higher Education and Workforce Training on June 26, 2011, to fully understand the misuse of funds and ensure similar inappropriate uses of taxpayer funds do not re-occur.
- The committee adopted its oversight plan with the understanding the American people want Congress to make job creation its top priority. That is why over the last six months, the committee has conducted aggressive oversight on the U.S. Department of Labor (DOL) and related agencies. The committee wants to ensure government policies are not standing in the way of putting Americans back to work.
- Within workforce issues, and with the intended result of increasing job creation, the committee held:
  - six hearings examining U.S. Department of Labor practices that impede job creation;
  - o four hearings examining implementation of health care laws and the impact on employees and employers;
  - o four hearings on workplace safety;
  - two hearings examining judicial activism at the National Labor Relations Board;
  - o one hearings on union democracy; and
  - o one hearing focused on retirement security concerns.
- The committee has been aggressive in its oversight of the National Labor Relations Board (NLRB) to protect the rights of both employees and employers.

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<sup>&</sup>lt;sup>6</sup> Letter to the Honorable Tom Vilsack, Secretary, US Department of Agriculture, from Chairman John Kline, April 13, 2011.

First, the Subcommittee on Health, Employment, Labor, and Pensions held a hearing on February 11, 2011, to examine individual NLRB holdings, rulemakings, and policies. Witnesses identified and discussed a number of recent controversial and unprecedented decisions – including an NLRB holding that effectively rescinds restrictions on bannering during secondary boycotts – that could significantly hinder employers' ability to manage their businesses. Witnesses expressed a greater concern, however, over the mounting evidence that suggests the current board is seeking to rewrite federal labor law through judicial fiat. The committee shares this concern.

The Subcommittee on Health, Education, Labor, and Pensions held a second hearing on May 26, 2011, exploring the relatively new phenomenon known as corporate campaigns and their effects on job creation. Two employers outlined the effect these campaigns had on their corporate balance sheets, their employees, and their ability to grow their businesses. The committee also heard testimony regarding federal agencies – including the NLRB – being all too willing to play a facilitating role in these campaigns. The committee will continue to monitor these campaigns in the future.

Finally, the committee continues to actively investigate the NLRB's use of taxpayer funds, the controversial Specialty Healthcare and Rehabilitation Center of Mobile case, and inconsistencies surrounding the Boeing complaint. The committee will continue its aggressive oversight of the NLRB and, when necessary, consider legislation that ensures balance in labor-management relations, while at the same time protecting an employee's right to choose whether to join a union.

- On January 26, 2011, the committee held its first hearing under the new Republican majority. With a national unemployment rate of 9.4 percent and the number unemployed persons totaling 14.5 million in December 2010, the committee made its first hearing of the 112<sup>th</sup> Congress about our nation's economy. This hearing provided a broad overview of the workforce, including witnesses' perspectives on the effect of the stagnant economy on employer efforts to create jobs, barriers to job creation on the regulatory front, and policies and strategies that are needed to boost private-sector job creation. This hearing, entitled the "State of the American Workforce," properly set the stage for the committee's subsequent hearings and oversight activities concerning more specific examples of the administration's failure to "save or create" jobs. This hearing highlighted the administration's "job destroying" policies, and underscored where and how the administration has favored politically-powerful constituencies at the expense of middle-class working Americans.
- U.S. Secretary of Labor Hilda Solis appeared before the committee for a hearing entitled "Policies and Priorities at the U.S. Department of Labor" on February 16, 2011. At this hearing, the committee examined DOL's performance over the previous two years and considered the department's policy and program priorities included in the Fiscal Year 2012 budget proposal, which was submitted to Congress on February 14, 2011. This hearing provided members with an opportunity to broadly review DOL practices and all its program areas and the extent to which the department's regulatory agenda negatively affects job creation.

- Secretary Solis told attendees at the Democratic National Committee's winter meeting in Washington that "[t]he fight is on!" and she pledged aid to unionized public employees who were, in her view, "under assault" in Wisconsin and elsewhere. The committee believes that DOL and its policies must serve employers and workers whether they choose to take part in union activity or not. Following Secretary Solis's clear statement of union favoritism, the committee appropriately made an inquiry with DOL concerning its use of public funds and involvement in Wisconsin. The committee will continue to monitor the potential use of departmental resources to aid or benefit parties in a dispute in which the federal government has no official interest.
- The committee continues to examine DOL's implementation of the Davis-Bacon Act. The Subcommittee on Workforce Protections held a hearing in response to a March 22, 2011, GAO report entitled "Davis-Bacon Act: Methodological Changes Needed to Improve Wage Survey." The report found deficiencies with the quality, timeliness, and transparency of the wage rates established by DOL and made recommendations about how to improve the wage survey process. The report's findings strongly suggest that inaccurate wage determinations increase the costs of federal construction projects. Additionally, the Congressional Budget Office suggests that repealing Davis-Bacon could save the government \$15.7 billion dollars over the next 10 years. Ultimately, if the federal government is going to require contractors to comply with the Davis-Bacon requirements, it should not allow the extraordinary mismanagement of the program as identified in the March GAO report findings to continue.
- The cost of regulations on employers and their effect on the economy has been of significant concern to the committee. In addition to monitoring individual regulations, the committee is actively working to ensure the effective implementation of Executive Order 13563. This executive order was issued by President Obama on January 18, 2011, with the stated purpose of improving federal regulations and the regulatory review process. In an effort to receive more precise information on this executive order, the committee has made multiple inquires with DOL, including a March 23, 2011, letter to Secretary Solis and a Question for the Record following Secretary Solis's appearance before this committee. In response, the committee has collected and reviewed multiple documents from DOL that outline the preliminary plans for periodic review of significant rules and will continue to monitor its implementation. The committee anxiously awaits more concrete information from DOL concerning implementation of Executive Order 13563.
- The committee has seriously embraced its obligation under House Rules to conduct oversight of the Department of Labor's audit of its financial statements.
  - On November 15, 2010, the DOL reported its first-ever failure to achieve an unqualified audit for its consolidated financial statements. A second audit of DOL's consolidated financial statements, released by DOL's Office of Inspector General (OIG) on May 23, 2011, confirmed DOL had failed to comply with two federal laws, the Federal Financial Management Improvement Act of 1996 and the Federal Managers' Financial Integrity

Act of 1982, and was deficient in its management of its \$173 billion budget. In addition, this audit identified four "Material Weaknesses" and two "Significant Deficiencies" in DOL's financial reporting.

Concerned by DOL's failure to comply with federal law and its distinction as the only executive agency to have multiple new material weaknesses in its financial management system in FY 2010, the Subcommittee on Health, Employment, Labor, and Pensions held a hearing entitled "Investigating Financial Mismanagement at the U.S. Department of Labor" on June 2, 2011. At the hearing, DOL's Inspector General confirmed there had been no material weaknesses in the previous 10 years and emphasized the serious nature of "material weaknesses." The committee insists that DOL's management adhere to federal law and eliminate all of its financial deficiencies in FY 2011. With these goals in mind, the committee will continue to provide vigorous oversight of DOL and its financial management of the agency.

• The committee supports efforts to eliminate black lung disease and other potential hazards associated with coal mining. In furthering this goal, the committee believes any proposed regulations issued by the Mine Safety and Health Administration (MSHA) should be based on sound science and require the minimal necessary disruption to workers and employers. The committee is concerned that when MSHA proposed its rule, "Lowering Miners' Exposure to Respirable Coal Mine Dust; Including, Continuous Personal Dust Monitors," it did not share its data and assumptions concerning the linkage between dust exposure level trends and incidence of black lung disease with lawmakers and stakeholders. In addition, the committee is concerned by the vastly divergent estimates between MSHA and stakeholders concerning this regulation's impact on jobs and the economy.

On June 6, 2011, the committee wrote to MSHA Assistant Secretary Joe Main requesting additional information regarding MSHA's proposed respirable coal mine dust rule. The letter requests that, among other documentation, MSHA provide the committee with information on all data and assumptions used for drafting this rule and an accounting of all economic costs to the private sector and the federal government.

• The committee is concerned by any DOL policy that could potentially harm employer-worker relations for the benefit of a special interest group. On November 19, 2010, Vice President Biden announced an agreement between the Obama Administration and the American Bar Association (ABA) concerning the Wage and Hour Division's (WHD) handling of cases under the Fair Labor Standards Act and the Family Medical Leave Act. Under this agreement, when WHD notifies a worker it has completed its investigation but will not pursue this claim any further it will also provide the worker with a toll-free number and instructions for using the ABA-Attorney Referral System. In addition, WHD will provide ABA-approved attorneys with the WHD case number, violations found during it investigation, and back wages owed.

Given WHD's own estimate that 10 percent of minimum wage, overtime, and family medical leave claims are investigated but not pursued by WHD, the Committee wrote to

Secretary Solis on June 16, 2011, concerning the drafting, implementation, and legal basis of DOL's agreement with the ABA. The Secretary's response is due on June 30, 2011.

#### **COMMITTEE HEARINGS**

In the first quarter of the 112<sup>th</sup> Congress, the Committee held 14 hearings with an education focus, and 17 hearings with a workforce focus.

### A. Education Hearings

"Education in the Nation: Examining the Challenges and Opportunities Facing America's Classrooms," Full Committee, February 10, 2011, Printed Hearing: Serial No. 112-3

"Education Regulations: Weighing the Burden on Schools and Students," Full Committee, March 1, 2011, Printed Hearing: Serial No. 112-7

"The Budget and Policy Proposals of the U.S. Department of Education," Full Committee, March 9, 2011, Printed Hearing: Serial No. 112-9

"Education Regulations: Federal Overreach into Academic Affairs," Higher Education and Workforce Training Subcommittee, March 11, 2011, Printed Hearing: Serial No. 112-11

"Education Regulations: Burying Schools in Paperwork," Early Childhood, Elementary, and Secondary Education Subcommittee, March 15, 2011, Printed Hearing: Serial No. 112-12

"Education Regulations: Roadblocks to Student Choice in Higher Education," Full Committee, March 17, 2011, Printed Hearing: Serial No. 112-13

"Reviving our Economy: The Role of Higher Education in Job Growth and Development," Full Committee Field Hearing in Wilkes-Barre, PA, March 21, 2011

"Reviving our Economy: The Role of Higher Education in Job Growth and Development," Full Committee Field Hearing in Utica, NY, March 22, 2011

"Streamlining Federal Education and Workforce Programs: A look at the GAO Report on Government Waste," Full Committee, April 6, 2011

"Education Reforms: Promoting Flexibility and Innovation," Full Committee, April 7, 2011, Printed Hearing: Serial No. 112-17

"Reviving our Economy: The Role of Higher Education in Job Growth and Development," Full Committee Field Hearing in Columbia, TN, April 21, 2011

"Removing Inefficiencies in the Nation's Job Training Programs," Higher Education and Workforce Training Subcommittee, May 11, 2011

"Examining the Costs of Federal Overreach into School Meals," Early Childhood, Elementary, and Secondary Education Subcommittee, May 13, 2011

Education Reforms: Exploring the Vital Role of Charter Schools," Early Childhood, Elementary, and Secondary Education Subcommittee, June 1, 2011

### B. Workforce Hearings

"State of the American Workforce," Full Committee, January 26, 2011, Printed Hearing: Serial No. 112-1

"The Impact of the Health Care Law on the Economy, Employers and the Workforce," Full Committee, February 9, 2011, Printed Hearing: Serial No. 112-2

"Emerging Trends at the National Labor Relations Board," Health, Employment, Labor and Pensions Subcommittee, February 11, 2011, Printed Hearing: Serial No. 112-4

"Investigating OSHA's Regulatory Agenda and Its Impact on Job Creation," Workforce Protections Subcommittee, February 15, 2011, Printed Hearing: Serial No. 112-5

"Policies and Priorities at the U.S. Department of Labor," Full Committee, February 16, 2011

"Examining Recent Regulatory and Enforcement Actions of the Mine Safety and Health Administration," Workforce Protections Subcommittee, March 3, 2011, Printed Hearing: Serial No. 112-8

"The Pressure of Rising Costs on Employer Provided Health Care," Health, Employment, Labor and Pensions Subcommittee, March 10, 2011, Printed Hearing: Serial No. 112-10

"The Future of Union Transparency and Accountability," Health, Employment, Labor and Pensions Subcommittee, March 31, 2011

"Streamlining Federal Education and Workforce Programs: A look at the GAO Report on Government Waste," Full Committee, April 6, 2011

"Examining the Department of Labor's Implementation of the Davis-Bacon Act," Workforce Protections Subcommittee, April 14, 2011

"Modernizing Mine Safety," Workforce Protections Subcommittee, May 4, 2011

"Policies and Priorities of the U.S. Department of Health and Human Services," Full Committee, May 5, 2011

"Reviewing Workers' Compensation for Federal Employees," Workforce Protections Subcommittee, May 12, 2011

"Corporate Campaigns and the NLRB" The Impact of Union Pressure on Job Creation," Health, Employment, Labor and Pensions Subcommittee, May 26, 2011

"Investigating Financial Mismanagement at the U.S. Department of Labor," Health, Employment, Labor and Pensions Subcommittee, June 2, 2011

"The Recent Health Care Law: Consequences for Indiana Families and Workers," Health, Employment, Labor and Pensions Subcommittee Field Hearing in Evansville, IN, June 7, 2011

"Retirement Security: Challenges Confronting Pension Plan Sponsors, Workers, and Retirees," Health, Employment, Labor and Pensions Subcommittee, June 14, 2011

#### **COMMITTEE MARKUPS**

In the first quarter of the 112<sup>th</sup> Congress, the Committee held four markups.

Committee Organizational Meeting to Adopt the Committee Rules, Oversight Plan and Announce Subcommittee Assignments, Full Committee, January 25, 2011, Committee Rules and Oversight Plan adopted by voice vote

H.R. 1891, the *Setting New Priorities in Education Spending Act*, Full Committee, May 25, 2011, Ordered favorably reported, as amended, to the House by a vote of 23-16

H.R. 2117, the *Protecting Academic Freedom in Higher Education Act*, Full Committee, June 15, 2011, Ordered favorably reported, as amended, to the House by a vote of 27-11

H.R. 2218, the *Empowering Parents through Quality Charter Schools Act* and Committee Activities Report for the First Quarter of the 112<sup>th</sup> Congress, Full Committee, June 22, 2011,