

SENATE DEMOCRATS

- ↑ A Strong Economy
- ↑ Affordable Health Care
- ↑ Quality Education
- ↑ Renewable Energy

Misplaced
Priorities



April Recess 2009

Rebuilding Our Economy and Investing in America's Future

JOINTLY PREPARED BY THE SENATE DEMOCRATIC POLICY COMMITTEE
AND THE SENATE DEMOCRATIC COMMUNICATIONS CENTER

Rebuilding Our Economy and Investing in America's Future

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Democrats are Working to Reverse the REPUBLICAN DEFICIT That is Crippling the U.S. Economy

Over the last eight years, the state of the American economy has gone from good to worse to terrible. Years of irresponsible governing, shortsighted fiscal policies, and lax regulation by President Bush and Congressional Republicans have left a Republican Deficit so widespread that it impacts every aspect of American life and so deep that it will take years to fully recover.

Despite having inherited the worst economic crisis in generations, Democrats know that the United States can both rebound and make the investments needed to rebuild our economy for the long term. The 111th Congress has already passed the *American Recovery and Reinvestment Act of 2009*, which creates American jobs, invests in America's future, and provides middle-class and small business tax relief. Though a critical victory for the American people, this package is only the first step of the multi-step solution that will be required to correct the mistakes of the past, strengthen the economy, and ensure economic competitiveness and prosperity in the future.

Next on the agenda: Passing a fiscally responsible budget that cuts taxes for middle-class families and provides a blueprint for investments in education, health care, and energy. Years of Republican neglect in these critical areas have contributed to the nation's economic troubles: the rising cost of health care is burdening families and businesses; lack of access to quality education is holding back our nation's students; our dependence on oil is threatening our economic and national security; and our shrinking middle class is bankrupting the American Dream. Addressing each of these critical priorities is necessary for our nation to recover from the Republican Deficit and rebuild and strengthen our economy, today and for decades to come.

The Republican Health Care Deficit

Reforming the nation's health care system to reduce costs for individuals and businesses and expand access to quality care is not only good policy, it is critical to the physical health of the American people and the financial health of the American economy. Unfortunately, during the eight years Republicans controlled Washington, leaders failed to address the nation's health care needs and underfunded critical health care programs. The result was higher costs, weakened employer-sponsored coverage, more uninsured Americans, and financial uncertainty for working families.

Senate Democrats are working to reverse the Republican health care deficit by supporting public health programs that work, modernizing health information technology, addressing the shortfall of health professionals for underserved populations, investing in medical research, encouraging prevention and early detection, and setting the stage for health care reform. The costs of doing otherwise are simply too great.

After eight years of the Bush Administration:

- **The United States has received less bang for its health care buck than any other nation.** We spend approximately 16.2 percent of Gross Domestic Product on health care, twice the average of other developed nations. Yet, life expectancy for Americans is below

that of 49 other nations, behind Bosnia and the Virgin Islands, as well as Japan and most of Europe.¹

- **The cost of family health insurance has skyrocketed nearly 100 percent.** The average employer-sponsored premium for a family of four rose to \$12,680 in 2008, with the average worker contributing \$3,354 and the average employer contributing \$9,325. This is an increase of \$6,170 from 2000, with employers contributing \$4,506 more and workers contributing \$1,735 more. This rate of increase is far beyond the rate of inflation and wages which declined in real terms during the Bush Administration.²
- **Rising health care costs have jeopardized employer-sponsored coverage and threatened the financial stability of business.** Unlike other nations, much of our nation's health care coverage is provided by the employers. Over time, increased health care costs have threatened American companies' ability to compete in the global market. For example, General Motors spends \$1,400 more per car for health care than Toyota, placing the company at a \$5 billion disadvantage. As a result, many companies have begun decreasing health benefits. The percentage of non-elderly individuals with employment-based health benefits decreased from 66 percent in 2000 to 61 percent in 2007.³
- **The cost of individual insurance has also skyrocketed.** Approximately 17 million Americans buy their own coverage, due in part to the unavailability or loss of employer-coverage. As the costs for employer-sponsored coverage have risen, so have the costs of individual insurance, and often times at a faster pace. In just the last two months, many insurance companies have reported double-digit premium increases in the individual market. According to one survey, a single person could be expected to pay approximately \$300 per month for an individual policy, with a deductible of nearly \$2,000; and a family could be expected to pay nearly \$500 per month, with a deductible of \$2,600.⁴
- **The number of uninsured Americans has increased by 7 million people.** Rising costs have led many Americans to forgo health insurance for themselves and their families. The number of uninsured Americans rose from 38.7 million in 2000 to 45.7 million in 2007. Given the weak economy and the increase in unemployment, the number of uninsured Americans likely jumped in 2008 (the final numbers are not yet available) and will probably rise again in 2009. It is already estimated that 87 million people – one in three Americans under 65 – were uninsured at some point during the last two years. Studies show that for every one percent increase in unemployment, an additional 1.1 million become uninsured.⁵
- **Health care costs have placed millions of American families in financial peril.** Rising medical expenses have resulted in nearly 50 percent of all personal bankruptcies, and nearly half of all home foreclosures.⁶

The Republican Education Deficit

For decades, Americans have known that the key to success is a quality education. Workers with a college degree can expect to earn \$1 million more in their lifetime than those with only a high school degree. The disparity is even greater between high school and graduate degree earners. Now, with the 21st Century global marketplace becoming increasingly technological and advanced, it is also clear that education is the key to a successful and secure nation. The ability of the United States to compete successfully with other industrialized nations depends on the education, skill, and ingenuity of the American people. Educational investments also yield a high rate of return. For every dollar invested in high-quality, comprehensive early childhood

education programs for disadvantaged children, the nation can expect a \$4 to \$9 return in higher earnings, graduation rates and employment rates and in decreased crime, special education services, and social services. Given the importance of education to individual and our national success, it is shocking that the Bush Administration squandered its opportunity to *comprehensively* reform and improve the nation's education system.

Senate Democrats are working to reverse the Republican education deficit by expanding educational opportunities for all Americans, from pre-school to high school to graduate school to lifelong learning. Our blueprint for education reform includes investments in early childhood education; science, technology, engineering, and math programs; better teachers and principals; adequately-sized school infrastructure; and the Pell Grant student-loan program. The costs of doing otherwise are simply too great.

After eight years of the Bush Administration:

- **The United States is trailing other countries in educational preparedness.** According to the World Economic Forum's Global Competitiveness Report, the United States still leads the world in overall competitiveness. This good news is tempered, however, by far lower rankings in educational preparedness. The United States ranks 19th in the quality of our education system, 25th in the quality of primary education, and 48th in the quality of math and science education. In order for America to flourish culturally and remain competitive in an increasingly technical and educated world, we must ensure our children have access to a quality education from pre-school to graduate school.⁷
- **Too many of the nation's school children are falling behind.** In 2007, only approximately one-third of fourth graders and eighth graders were able to demonstrate solid academic performance in reading and math.⁸
- **Too many schools are overcrowded.** A 2004 report by the National Center for Education Statistics found that 8.5 percent of public schools have exceeded their capacity, with one in five schools holding classes in common areas such as gyms and cafeterias.⁹
- **College costs have risen 43 to 58 percent.** Average tuition, fees, room and board costs at four-year private universities have increased by \$10,276, or 43 percent, from \$23,856 in the 2001-2002 academic year to \$34,132 in the 2008-2009 academic year. Tuition, fees, room and board charges at four-year public colleges jumped from \$9,032 to \$14,333 for the 2008-2009 academic year - an increase of \$5,301, or 58 percent.¹⁰
- **Average student loan debt soared to more than \$19,000.** According to the Institute for College Access and Success, more than 60 percent of college seniors graduate with debt, with an average of \$19,200 in debt per graduate.¹¹ And, according to the Institute for Public Policy and Higher Education, 31 percent of the median family income is needed to pay for one year at a four-year public college *after* financial aid.¹²
- **The continuing credit crisis is affecting the ability of students and families to afford rising tuition costs.** Lenders are increasing their lending standards and 39 lenders are no longer offering private student loans.¹³

The Republican Energy Deficit

Clean and renewable energy has been unfortunately neglected during the last eight years. And despite our years of knowledge about the security, environmental, and economic risks of our addiction to oil and fossil fuels, we are more addicted and reliant than ever.

Senate Democrats are working to reverse the Republican energy deficit by investing in energy efficiency and clean renewable energy such as the sun, the wind, and advanced biofuels; a smarter grid; low-carbon fuels; and green jobs can help put our economy back on track, improve our energy security, and make America the engine of innovation in the 21st Century. Not only will these investments create jobs now, they will develop new technologies that will make America the engine of innovation in the 21st Century, save the nation billions in energy costs, and improve our environment by reducing greenhouse gas emissions. The costs of doing otherwise are simply too great.

After eight years of the Bush Administration:

- **The nation is far too dependent on oil.** In 2008, the United States imported approximately 2.37 million barrels of oil and petroleum products per day or approximately 73.5 million barrels of oil and petroleum products per month from countries in the Persian Gulf, which accounts for about 18 percent of the nation's total oil and petroleum product imports. The United States also imported approximately 5.7 million barrels of oil and petroleum products per day in 2008 or approximately 177 million barrels of oil and petroleum products per month from countries that belong to the Organization of the Petroleum Exporting Countries (OPEC), which accounts for about 44 percent of the nation's total oil and petroleum product imports.¹⁴
- **The nation is spending more on foreign oil.** In 2001, the United States sent approximately \$101 billion to countries to pay for oil. By the end of 2008, the cost of America's addiction to oil had increased to \$439 billion, which is a shocking 338 percent increase. The total amount of American dollars sent overseas for oil equals about 18 percent of the combined estimated gross domestic product of all the countries that belong to OPEC.¹⁵
- **Gas prices jumped as much as 180 percent from \$1.46 per gallon of regular gas in January 2001 to an all-time high of \$4.11 in July 2008.**¹⁶ The price for a barrel of oil increased 370 percent during the Bush Administration from \$31 in January 2001 to highs of \$145 in July 2008.¹⁷ Before the financial crisis and the subsequent reduction in oil and gasoline prices, the average household with children was spending about \$4,143 on transportation fuel costs in 2008, an increase of 118 percent or \$2,240 over 2001 costs.¹⁸
- **Electricity prices increased by 24 percent.** The residential price for electricity increased from 8.58 cents per kilowatt hour in 2001 to 10.65 cents per kilowatt hour in 2007. This increase in residential electricity prices resulted in the average residential electricity bill increasing from \$81 per month to \$100 per month.¹⁹
- **Home natural gas prices jumped 36 percent.** The residential price for natural gas increased from \$9.63 per thousand cubic feet in 2001 to \$13.70 per thousand cubic feet in 2008. These increases resulted in winter natural gas expenditures increasing from \$445

during the winter of 2001 and 2002 to the anticipated cost of \$866 during the winter of 2008 and 2009.²⁰

- **Heating oil prices have skyrocketed by 156 percent.** The price for heating oil increased from \$1.16 per gallon in the winter of 2001 and 2002 to \$3.31 per gallon in the winter of 2007 and 2008. The increases in heating oil prices resulted in winter heating oil expenditures increasing from \$627 during the winter of 2001 and 2002 to \$1,953 during the winter of 2007 and 2008.²¹
- **Global warming emissions has increased.** When the previous Administration came into office, the Energy Information Administration reports that the United States emitted 6,958 million metric tons of carbon dioxide equivalents. The most recent data from the Energy Information Administration shows that in 2007 those emissions increased by 224 million metric tons to 7,282 million metric tons of carbon dioxide equivalents (approximately five percent). From 1990 to 2007, U.S. emissions increased by 16.7 percent.²²
- **Atmospheric carbon dioxide levels have risen.** Since 2001, the amount of atmospheric carbon dioxide levels have risen from 371 to 386 parts per million. The most recent data from the Mauna Loa Observatory in Hawaii indicates that over the last 50 years the annual mean growth rate of atmospheric carbon dioxide levels have been increasing by approximately 1.42 parts per million per year. Recently, atmospheric levels of greenhouse gases were measured at 392 parts per million at an Arctic research station near Norway.²³

The Republican Middle-Class Deficit

Over the last eight years, life for millions of American families has grown less affordable and less secure. Working Americans have suffered from lower wages, fewer jobs, declining home values, increasing foreclosures, and skyrocketing costs for basic necessities like gas, health care, and college tuition. Senate Democrats are working to reverse the Republican middle-class deficit – the middle class squeeze – by providing middle-class tax cuts, addressing housing crisis, spurring job growth, and encouraging savings. The costs of doing otherwise are simply too great.

After eight years of the Bush Administration:

- **Job creation is among the worst in 75 years.** In February, the economy lost 651,000 jobs, marking the fourteenth straight month of job losses for non-farm payrolls. Job losses in the last four months have averaged 646,000. Total job losses since the start of the recession now total 4.4 million, with over half of the losses (2.6 million) occurring in the past four months.²⁴ And though the nation has experienced the sharpest declines over the last year, job creation has been consistently weak throughout the eight years of the Bush Administration. Overall employment growth has averaged around only 22,000 jobs per month²⁵ – only a fraction of the 150,000 jobs needed each month to keep up with population growth. It was not uncommon to see monthly job gains of 300,000 and even 400,000 during economic expansions during the Clinton Administration.²⁶
- **Unemployment has risen to the highest level in 16 years, leaving millions more unemployed.** In part because of the failure to create an adequate number of new jobs, the national unemployment rate hit 8.1 percent in February 2009, the highest rate in 25 years.

This represents 12.5 million people who are officially counted as unemployed – 6.4 million more people than were unemployed in January 2001.²⁷

Unfortunately, once they lose their job, America's workers also are staying unemployed longer.²⁸ In February 2009, 23.1 percent of unemployed persons (or 2.9 million) had been unemployed for more than 26 weeks, 2.2 million more than in January 2001.²⁹ Beyond the unemployed, 8.6 million Americans are considered underemployed because they want to work full-time but can only find part-time work, five million more than at the start of the Bush Administration.³⁰ What is worse, none of the above statistics, capture the 2.1 million – 756,000 more than in January 2001 -- Americans who want a job but have been discouraged from looking for work (to be counted as unemployed by the government, a person must be actively looking for work).³¹ And “[t]he problem is ensnaring a broader swath of workers than before. Once concentrated among manufacturing workers and those with little work history, education or skills, long-term unemployment is growing most rapidly among white-collar and college-educated workers with long work experience.”³²

- **Wages have stagnated.** Middle-class families are working harder and earning less today than they were eight years ago. Median household income, adjusted for inflation, has declined \$333 from \$50,566 in 2000 to \$50,233 in 2007 (the latest year for which we have data).³³ Between 2000 and 2007, the government's measure of take-home pay (median weekly earnings) increased by a mere 0.3 percent (adjusted for inflation), compared with 7.7 percent growth between 1989 and 2000 (the last comparable business cycle).³⁴
- **Employment compensation has lagged behind productivity gains.** While the productivity of the American worker (output per hour) rose by 19.08 percent between the fourth quarter of 2000 and the third quarter of 2008, average hourly compensation (wages plus benefits, adjusted for inflation) increased by only 6.3 percent during this period.³⁵ In sum, Americans are working harder – and more productively – but are not receiving proportionally increased rewards for their hard work. ³⁶
- **Foreclosures have increased by more than 80 percent in the last year.** According to RealtyTrac, more than 2.3 million U.S. properties faced foreclosure in 2008, an 81 percent increase from 2007.³⁷ This was added to the 1.3 million properties that faced foreclosure in 2007, a 75 percent increase from 2006.³⁸ It is estimated that 1.2 million of the foreclosures in 2008 were on residential properties. And while Democrats are working to lower this number through aggressive homeowner assistance programs, early forecasts project that overall foreclosures could rise by 2.4 million in 2009 and by eight million (1 in 9 households) over the next five years as adjustable rate loans continue to adjust higher and Americans grapple with job loss and rising unemployment.³⁹
- **Home values are plummeting.** Even homeowners with strong credit, who are in safe, fixed-rate loans are suffering from the reduction in property values and home equity wealth that result from foreclosures in their neighborhoods.⁴⁰ In February 2009, the National Association of Realtors reported that the national median existing single-family home price in the fourth quarter of 2008 dropped 12.4 percent below the fourth quarter of 2007 price.⁴¹ It is estimated that by the end of 2009 more than 40 million homeowners will have experienced a decline in their home values due to surrounding foreclosures – a total loss of \$352 billion.⁴²

The Republican Fiscal Deficit

President Obama, who has been in office only a few months, inherited a trillion dollar Republican Deficit. Despite cuts to critical domestic programs, President Bush, with Congressional Republicans by his side, created record deficits, increased spending, and doubled the national debt. Senate Democrats are working to reverse the Republican fiscal deficit by passing a fiscally responsible budget that provides for long-term investments that will yield future savings, honestly reflects government spending, and cuts the deficit in half by the end of President Obama's first term. The costs of doing otherwise are simply too great.

After eight years of the Bush Administration:

- **Record budget surpluses turned into record deficits.** President Clinton ran a unified budget surplus of \$236 billion, the largest surplus in American history. Budget surpluses were expected to continue for another ten years when President Bush took office in January 2001. But under the Republican's watch, the federal budget plunged back into deficit, reaching record levels. By 2002, the unified federal budget had returned to a deficit of \$160 billion and this year, President Obama inherited a record deficit of \$1.3 trillion
- **Spending nearly doubled in the past eight years.** According to the non-partisan Congressional Budget Office (CBO) and the Senate Budget Committee, between 2001 and 2009, spending (outlays) rose from \$1.9 trillion to \$3.7 trillion.
- **Doubling the national debt.** Republicans presided over the largest explosion of debt in our nation's history. During his time in office, President Bush requested that Congress increase the statutory debt limit seven times. The day before George W. Bush assumed the presidency in 2001, the public debt was \$5.7 trillion. On the last day of President Bush's presidency in 2009, the public debt stood at \$10.6 trillion, approximately \$35,000 for every man, woman, and child in America.
- **Tripling the amount of U.S. debt held abroad.** In order to finance record budget deficits, the United States has had to borrow at unprecedented rates from foreigners. As of January 2009, the United States had accumulated \$2.1 trillion more in debt to foreigners than this country had accumulated in its first 224 years. Last year, 68 percent of the new debt of this country was financed by foreign entities.
- **The worst economic performance in decades.** Not only did President Obama inherit the dismal fiscal situation created by the Republican Deficit, he also inherited a country facing very dire economic conditions. Economic growth declined dramatically from the third quarter of 2008, when there was a negative one-half of one percent of growth, to the fourth quarter of 2008, when the economy contracted at a rate of over six percent. We are in the midst of the worst recession since the Great Depression, financial and housing crises, and we have lost over 3.3 million private sector jobs in the last six months alone.

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Democrats are Investing in America's Future

Years of irresponsible governing, shortsighted fiscal policies, and lax regulation by President Bush and Congressional Republicans have left a Republican Deficit so widespread that it impacts every aspect of American life and so deep that it will take years to fully recover. In the 111th Congress, Senate Democrats have already passed significant legislation that will create American jobs, invest in America's future, and make long-term investments in [energy](#), [health care](#), and [education](#). These Democratic initiatives address the inherited problems of the Republican Deficit and Republican neglect over the past eight years.

Democrats Have Made Urgently-Needed Investments in Clean Energy

- The *American Recovery and Reinvestment Act of 2009 (P.L. 111-5)* includes unprecedented support for the development of clean energy through renewable energy and energy efficiency investments.
- The *Omnibus Appropriations Act of 2009 (P.L. 111- 8)* makes key investments to support renewable energy, energy efficiency, and green job creation.
- The *Fiscal Year 2010 Budget Resolution (S. Con. Res. 13)* includes an energy reserve fund to accommodate legislation to reduce our nation's dependence on oil and provides increases for critical clean energy development programs.

Democrats Have Made Investments in Education

- The *Recovery Act* includes funding to maintain critical education programs and ensure that children are not shortchanged in the classroom.
- The *Omnibus* provides funding for high quality pre-school and after-school enrichment programs, financial aid for students attending college, and initiatives to assist disadvantaged students reach their potential.
- The *Edward M. Kennedy Serve America Act (H.R. 1388)* reauthorizes national service programs and provides nearly \$6 billion over five years to expand opportunities for Americans to engage in service throughout their lives.
- The *Budget Resolution* supports full funding for President Obama's discretionary education priorities.

Democrats Have Made Investments in Health Care

- The *Children's Health Insurance Program Reauthorization Act of 2009 (P.L. 111-3)* reauthorizes the Children's Health Insurance Program (CHIP) to continue and expand access to health insurance for lower-income children.
- The *Recovery Act* provides crucial funding to states so that they will not need to cut health care and other services.
- The *Omnibus* increases funding to provide health care to a wide range of Americans and made investments in health information technology, critical research, training for health professionals, and preventive care to protect individuals from chronic disease.
- The *Budget Resolution* provides for health care reform, improved access to health care, and medical research.

Democrats are Investing in America's Future: Clean Energy

Since the 111th Congress began, Democrats have been working to create jobs across the country by making major new investments in clean energy. These efforts were realized most recently when Congress passed the *American Recovery and Reinvestment Act*, followed by the *Omnibus Appropriations Act of 2009*, and most recently the *Fiscal Year 2010 Budget Resolution*. Going forward, Democrats will continue to focus on making major new investments in energy efficiency and renewable energy which will help make America the engine of innovation in the 21st Century.

This Fact Sheet summarizes the clean energy provisions included in the *American Recovery and Reinvestment Act*, the *Omnibus Appropriations Act of 2009*, and the *Fiscal Year 2010 Budget Resolution*.

American Recovery and Reinvestment Act

The *American Recovery and Reinvestment Act*, which was signed by President Obama on February 17, 2009, included approximately \$67 billion¹ to support the development of clean energy. These investments in renewable energy and energy efficiency will be a tool to spur economic growth and job creation, while simultaneously better positioning our nation's energy policy for years to come. The following summarizes how some of the \$67 billion was allocated:

- **Renewable energy production tax credit.** The *American Recovery and Reinvestment Act* included a three year extension of the renewable energy production tax credit which is needed to ensure future investments in wind, geothermal, and biomass energy (\$13.1 billion).
- **Electricity transmission.** The *American Recovery and Reinvestment Act* included funding for the Bonneville and Western Power Administrations to finance and facilitate the development of renewable energy transmission capacity (\$6.5 billion; \$3.25 billion each).
- **Loan guarantees.** The *American Recovery and Reinvestment Act* included funding to finance loan guarantees for renewable energy and transmission projects that will finance \$60 billion in renewable energy and transmission projects (\$6 billion).
- **Weatherization Assistance Grant Program.** The *American Recovery and Reinvestment Act* included funding for weatherization assistance program which is estimated to create 375,000 jobs, directly and indirectly, and produce \$13.6 billion in energy and non-energy related benefits (\$5 billion).
- **Electricity grid modernization/smart grid.** The *American Recovery and Reinvestment Act* included funding that will help the electricity grid to become more efficient and provide the training necessary to build and maintain the grid. These funds will help create a smart grid that allows customers to manage their energy consumption while giving electricity providers the real-time knowledge necessary to meet electricity demand. The ability to more effectively manage supply and demand is essential to the integration of large-scale renewable resources like wind and solar (\$4.5 billion).

- **Energy Efficiency and Conservation Block Grants.** The *American Recovery and Reinvestment Act* included funding for cities, counties, and Indian tribes so that they can reduce energy use and fossil fuel emissions, and make improvements in energy efficiency (\$3.2 billion).
- **State Energy Program.** The *American Recovery and Reinvestment Act* included funding for the State Energy Program which supports renewable energy and energy efficiency programs (\$3.1 billion).
- **Office of Energy Efficiency and Renewable Energy.** The *American Recovery and Reinvestment Act* included funding for the Department of Energy's Office of Energy Efficiency and Renewable Energy which is responsible for the broad market adoption of clean energy technology and the commercialization of renewable energy and energy efficiency technologies (\$2.5 billion).
- **Advanced batteries.** The *American Recovery and Reinvestment Act* included grant funding for advanced battery manufacturing which will be critical in creating battery manufacturing jobs in the United States. Currently, nearly all the batteries made for hybrid electric vehicles are manufactured in the Pacific Rim, despite the fact that U.S. demand for hybrid vehicles is strong and much more of the research and development on the batteries takes place in the U.S. (\$2 billion).

Omnibus Appropriations Act of 2009

The *Omnibus Appropriations Act of 2009* makes key investments to support renewable energy, energy efficiency, and green job creation. The legislation provides \$1.93 billion to the Department of Energy's Office of Energy Efficiency and Renewable Energy, which is \$206 million more than was appropriated in Fiscal Year 2008. In contrast, former President Bush's first budget request proposed spending \$1.03 billion for the Office of Energy Efficiency and Renewable Energy. In his last budget request, President Bush proposed spending \$1.26 billion for Office, which represents a cumulative increase of only \$230 million during the entire term of the prior Administration.

The following describes investments in the *Omnibus Appropriations Act of 2009* devoted to the Office of Energy Efficiency and Renewable Energy:

- **Weatherization.** The *Omnibus Appropriations Act* appropriates \$200 million for the weatherization assistance program. This funding will create 15,000 jobs (10,400 direct and 4,600 indirect) and result in \$413 in reduced first-year energy costs for the average lower-income family that receives assistance. President Bush attempted to eliminate this program in his last budget request to Congress.
- **Vehicle technology.** The *Omnibus Appropriations Act* provides \$273 million for the vehicle technology improvements program, which funds research and development on hybrid and plug-in hybrid vehicles, advanced batteries, and use of alternative fuel blends. The need to invest in technologies like advanced batteries is important because nearly all the batteries made for hybrid electric vehicles are manufactured in the Pacific Rim, despite the fact that U.S. demand for hybrid vehicles is strong and much more of the research and development on the batteries takes place in the United States.

- **Solar.** The *Omnibus Appropriations Act* provides \$175 million to the DOE's Solar Energy Technologies Program. This funding will further reduce the costs of solar energy technology and improve the efficiency of the technology to allow even greater market penetration.
- **Geothermal.** The *Omnibus Appropriations Act* provides \$44 million for geothermal energy research and development. The funding will be used to find, access, and use the nation's geothermal resources, which the United States Geological Survey estimate at a combined 560,000 megawatts (conventional and enhanced).

Fiscal Year 2010 Budget Resolution

The Democratic *Budget Resolution*, which is being considered in the Senate this week, includes an energy reserve fund to accommodate legislation to reduce our nation's dependence on oil, produce green jobs, promote renewable energy development, improve electricity transmission, create a clean energy investment fund, and encouraging conservation and efficiency.

The reserve fund could also be used for legislation to enact energy provisions; extend the permissible term of power purchase agreements used by federal agencies to acquire renewable energy; expand the economic recovery package's investments in transmission infrastructure and smart grid technology; and create a Clean Energy Investment Fund, which could help the transition to a low-carbon economy by using financing such as direct loans and loan guarantees to invest in clean energy technologies.

The Democratic *Budget Resolution* also provides increases for the Energy Efficiency and Renewable Energy program, which will enable investments in important priorities such as wind, solar, geothermal, biomass and biorefinery research and development, hydrogen, vehicle/building technologies and the weatherization assistance program. The budget supports increased funding for the Energy Efficiency and Conservation Block Grant Program and the development of low carbon coal technologies such as carbon capture and sequestration. The budget also supports continued funding increases for the Department of Energy's loan guarantee program.

¹ Congressional Research Service, "Energy Provisions in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5)," March 12, 2009, <http://apps.crs.gov/products/r/html/R40412.html>

Democrats are Investing in America's Future: Education

Senate Democrats are committed to fixing the economic crisis inherited from Republicans but to do so we must make critical investments in our nation's future – including investments in education so that all Americans will be able to compete in the global economy. Democrats believe everyone deserves access to a complete and competitive education from childhood to college and beyond. Our budget invests in better teachers and better schools, sharpens our focus on teaching science and technology, and ensures all students can afford higher education.

By investing in education, Democrats are investing in the future of America and our next generation of leaders. After years of neglect and funding cuts during the Bush Administration, Democrats are committed to the belief that quality, affordable education is crucial for our nation's future economic strength. The inherited fiscal and economic crises underscore the need to invest in education and training programs to build a highly-skilled workforce ready to compete in the global marketplace.

Eight Years of Inaction and the High Cost of Education

Skyrocketing College Tuition Costs. Since the 2001-2002 academic year, college costs have risen by 43 to 58 percent. Average tuition, fees, room and board costs at four-year private universities have increased by \$10,276, or 43 percent, from \$23,856 to \$34,132 in the 2008-2009 academic year.[1] Tuition, fees, room and board charges at four-year public colleges jumped from \$9,032 to \$14,333 for the 2008-2009 academic year - an increase of \$5,301, or 58 percent.[2]

Soaring Student Debt. The rising cost of a college education means that average student loan debt has soared, to more than \$19,000. Without adequate federal grants funding, students and their parents must rely more on student loans to finance their college educations. According to the Institute for College Access and Success, more than 60 percent of college seniors graduate with debt, with an average \$19,200 in debt per graduate.[3] Finally, as more students and families rely on student loans, banks are increasing their lending standards due to the credit crunch.[4] Students and their families remain concerned about continued access to student loans.

Senate Democrats Create Opportunities for Americans to Learn

In the 111th Congress, Senate Democrats have already passed significant legislation that will create American jobs, invest in America's future, and improve educational opportunities for all Americans. These Democratic initiatives address inherited problems neglected over the past eight years.

In February, the Democratic-led Congress enacted the *American Recovery and Reinvestment Act of 2009 (Recovery Act)* (P.L. 111-5), to help our nation recover from recession and make long-term investments to strengthen our economy in the future. Through the *Recovery Act*, Democrats secured funding to create jobs, maintain critical programs, and ensure that children are not shortchanged in the classroom.

In March, continuing their record of fiscal responsibility, Senate Democrats passed the *Omnibus Appropriations Act of 2009 (Omnibus)*. The *Omnibus* (P.L. 111-8) reflects the priorities of

America's families with funding for high quality pre-school and after school enrichment programs, financial aid for students attending college and initiatives to assist disadvantaged students reach their potential.

These investments will address the budget crisis currently gripping state governments. Already 21 states have implemented cuts to k-12 education and 28 states have cut public higher education or instituted increases in tuition. The *Recovery Act* provides \$53.6 billion for the State Fiscal Stabilization Fund including \$39.5 billion for local school districts and public colleges and universities to prevent further cuts, preserve teaching jobs, and maintain important programs for students. Senate Democrats are committed to ensuring that our students are prepared for the challenges ahead even in the midst of state budget gaps.

Early education. Educational opportunities at the start of life are critical on the path to success. The *Recovery Act* and *Omnibus* directed \$9.2 billion to Head Start and Early Head Start, two programs aimed at providing educational, health, nutritional, social and other activities for young children. The Brookings Competitive Initiative reports that children who participate in early education programs are more likely to graduate from high school, less likely to commit crime and more likely to secure a job. Democrats understand that investing in our youngest students is the key to long-term success in school and in the workplace.

Support for disadvantaged students. The Title I Grants to LEAs program of the *Elementary and Secondary Education Act* provides resources to local school districts to help disadvantaged students succeed academically. The *Recovery Act* and *Omnibus* direct \$24.[5] billion for this program. In addition, these two bills invest a combined \$3.5 billion for the Title I School Improvement Grants program, which provides funding to help turn around struggling schools that have been designated in need of improvement under the *No Child Left Behind Act*.

Support for students with disabilities. Part B of the *Individuals with Disabilities Education Act* (IDEA) authorizes aid to school districts to help them pay for the costs of educating students with disabilities. The *Recovery Act* and *Omnibus* provide \$22.8 billion for this purpose. This investment will help students with disabilities achieve success in the classroom.

Afterschool programs expand learning opportunities. 21st Century Community Learning Centers provide a safe and supervised environment for students before the school day begins and after it ends. The *Omnibus* provides \$1.1 billion to serve 1.7 million children who rely on these Centers for care and instruction. These programs continue the learning experience for participating children by providing enriching opportunities while their parents are at work.

Improve teacher quality. The *Recovery Act* and *Omnibus* provide funding for numerous programs that will improve teacher quality and give teachers more tools to help raise student achievement. The programs and combined funding levels include: nearly \$300 million for performance-based pay incentives; \$150 million for teacher quality partnership grants to improve the quality of and support for new teachers and recruit highly qualified individuals to join the teaching force; and more than \$900 million for education technology grants, which will give students access to 21st century learning tools and provide teachers with professional development.

Reduce the barriers to college. Pell grants are the foundation of federal financial assistance that helps low- and middle-income undergraduate students and their families pay for the costs of post-secondary education and vocational training. The *Recovery Act* and *Omnibus* direct

more than \$36 billion to Pell Grants and other federal student aid programs that help millions of families pay for college. The maximum Pell Grant award for the 2009-2010 school year will be \$5,350, an increase of \$619 over the 2008 level. Democrats are committed to assisting families struggling to meet the rising costs of attending college. This commitment will allow students to continue to attend school, a critical investment in their future and our nation's competitiveness.

Senate Democrats Create Opportunities for Americans to Serve

As Americans face the numerous challenges created by the economic crisis, the need for service to our communities is greater than ever. On March 26, 2009, the Senate approved the *Edward M. Kennedy Serve America Act (H.R. 1388)*. The House passed the legislation on March 31, 2009, and the President has indicated he will sign the bill.

This legislation reauthorizes the *National and Community Service Act of 1990* and the *Domestic Volunteer Service Act of 1973*, and authorizes nearly \$6 billion over five years to expand opportunities for Americans to engage in service throughout their lives.

Currently, programs such as Senior Corps, AmeriCorps, and Learn and Serve America, support almost four million Americans in service to more than 70,000 community organizations. These services have had the empowering and inspiring effect of mobilizing an additional 2.2 million volunteers. This army of volunteers has the power to transform and inspire communities across America.

The bill would expand the mission of the Corporation for National and Community Service (the Corporation) and increase the number of national service participants in the AmeriCorps program from 75,000 current members to 250,000 over the next eight years. An analysis of AmeriCorps shows that every \$1 invested produced returns of up to nearly \$4 in direct, measurable benefits. By creating the ServeAmerica Corps, the Corporation will be able to target service in four areas in need of increased assistance in low-income communities, including: Clean Energy, Education, Health Futures, and an Opportunity Corps to boost financial literacy.

The *Edward M. Kennedy Serve America Act (H.R. 1388)* renews a spirit of national service and encourages volunteerism in all age groups. An Encore program will also be developed to engage the retiring baby boom generation, which has a multitude of talents to share. A Veterans Service Corps will also be established to support the service of veterans.

Two new programs would be created under the *National and Community Service Act of 1990*, including a Youth Engagement Zone to Strengthen Communities program and a Campus of Service program. The Youth Engagement Zones aim to engage high school students and out-of-school youth in the transformative experience of service through partnerships between community organizations and schools in low-income communities. The Campus of Service program would support and recognize institutions of higher learning with outstanding service-learning programs and provide funding to support students' pursuit of careers in public service.

The *Edward M. Kennedy Serve America Act (H.R. 1388)* would create a Summer of Service program to enlist middle and high school students in volunteer services at home, including a \$500 education award to be directed for the cost of college. The legislation would also increase the education award in AmeriCorps to match the Pell Grant award. It would raise the award to \$5,350 and tie it to future increases in the Pell Grant. The bill permits the education award to be transferrable to the children or grandchildren

At the time of this writing, the House had not considered the *Edward M. Kennedy Serve America Act (H.R. 1388)*, as passed by the Senate.

Senate Democrats Focus Budget on Education

This week, the Senate is considering the *Fiscal Year 2010 Budget Resolution (S. Con. Res. 13)*. The *Budget Resolution* recognizes that a high-quality education is the key to individual success in today's global marketplace and is crucial to securing our nation's future economic strength. To maintain our competitiveness in the world economy, American students of all ages, including adults who find themselves in need of retooling their skills to meet the demands of a new economy, must be equipped with the tools necessary to succeed in the 21st Century. Unfortunately, the rising cost of education, compounded by the economic downturn, has depleted families' savings and threatened the possibility of higher education for many students. The *Budget Resolution* addresses these critical needs by providing our students with critical support and resources.

Supporting President Obama's Priorities. The *Budget Resolution* fully funds the President's request for discretionary education and training programs over the five-year budget window.

Expanding Early Childhood Education. Building on investments made in the *American Recovery and Reinvestment Act (P.L. 111-5)*, the *Budget Resolution* supports the President's goal of expanding number of children served by Head Start and Early Head Start. These proven, effective programs prepare low-income children to enter kindergarten ready to learn by providing child development, education, health, nutrition, and other services.

Increasing Support for Children from Disadvantaged Backgrounds. The competitive educational advantage Americans used to enjoy, relative to other nations, has eroded, and our global competitors now spend less money per student, but have better educational outcomes.⁵ We cannot afford to allow our students to be outperformed. The *Budget Resolution* calls for a significant investment in building human capital through programs that target low-income students, such as Title I, and for innovative and effective strategies to reduce achievement gaps and improve student learning.

Improving Student Aid. In 1979, Pell grants covered over 70 percent of tuition and fees a public four-year university. Today, Pell grants cover about a third.[6] As the cost of attending college has risen, federal assistance to students and their families has not matched the need. The *Budget Resolution* provides a deficit-neutral reserve fund to support a \$5,550 maximum Pell Grant award in the 2010-2011 school year. As the primary source of federal need-based student financial aid, over 75 percent of all Pell Grants are awarded students from families making \$30,000 or less.[7] Pell Grants are indispensable for millions of students who might not otherwise have had the financial resources to pursue a college degree. The reserve fund will also allow authorizing committees to consider the President's proposals for student aid, such as expanding and strengthening Pell grants, or to provide tax incentives for higher education.

Preparing and Supporting a Quality Education Workforce. The quality of our education workforce is key to our students' education success. Building on investments made in the *American Recovery and Reinvestment Act*, the *Budget Resolution* invests in programs designed to improve the skills and effectiveness of America's educators.

Encouraging National Service. Building on the recently-passed *Edward M. Kennedy Serve America Act (H.R. 1388)*, the *Budget Resolution* provides the President's requested funding level for the Corporation for National and Community Service, and encourages Americans to serve their country and community.

Building on Success, Committed to Excellence

Senate Democrats are committed to repairing the economy through long-term investments, including in education, in order to address inherited problems which have been neglected over the past eight years. We will build on the success of the *American Recovery and Reinvestment Act of 2009 (P.L. 111-5)*, the *Omnibus Appropriations Act of 2009, (P.L. 111-8)*, and the *Edward M. Kennedy Serve America Act (H.R. 1388)* by passing a fiscally responsible budget plan that addresses the fiscal and economic crises inherited from the Bush Administration and lays the foundation for the long-term economic security of the United States. The *Budget Resolution* sets the stage for future legislation considered by the 111th Congress, and it is built on the belief that excellence in education is critical to helping Americans compete in the global economy.

Notes

- 1 The College Board, "Trends in College Pricing 2008," *available at* <http://professionals.collegeboard.com/profdownload/trends-in-college-pricing-2008.pdf>.
- 2 *Id.*
- 3 The Institute for College Access and Success (2006), based on an analysis of data from the Department of Education, National Postsecondary Student Aid Study (2004) cited in "A New Commitment to Students and Families: Opening the Door to College for All" prepared by the U.S. Senate Committee on Health, Education, Labor, & Pensions (July 2007) at 12.
- 4 Robert Tomsho, "Tuition Ammunition: a Happy Lesson on Lending" *Wall Street Journal* (January 6, 2009).
- 5 Organisation for Economic Co-Operation and Development, "Education at a Glance, 2008: OECD Indicators," Chapters A and B, *available at* http://www.oecd.org/document/9/0,3343,en_2649_39263238_41266761_1_1_1_37455,00.html.
- 6 The College Board, "Trends in Student Aid 2008," Tables 5 and 12a, *available at* <http://www.collegeboard.com/html/costs/aid/>.
- 7 U.S. Department of Education, Office of Postsecondary Education, "2006-2007 Federal Pell Grant Program End-of-Year Report," *available at* <http://www.ed.gov/finaid/prof/resources/data/pell-2006-07/pell-eoy-06-07.pdf>.

Democrats are Investing in America's Future: Health Care

Senate Democrats are committed to repairing the economic crisis inherited from Republicans, but to do so we must make critical investments in our nation's future - including reform of our broken health care system.

For our economy to truly recover and prosper we must help middle-class families and businesses cope with skyrocketing costs. That is why Democrats are defending the priorities of the American people, passing significant legislation that will create American jobs, investing in America's future, and working to provide affordable health coverage for all Americans that improves quality and value and makes common sense fixes to reduce costs. These Democratic initiatives address inherited problems that have been neglected over the past eight years.

Eight Years of Inaction Contributed to High Costs and a Rising Number of Uninsured

Skyrocketing health care costs are contributing to the current economic crisis, weighing heavily on family, business and government budgets. As highlighted in a report recently released at HealthReform.gov, "The Costs of Inaction," inherited flaws in our health care system have led to higher health care costs, reduced access to care, and inconsistent quality of care throughout the country.[1]

High health care costs. In 2007, the United States spent approximately \$2.2 trillion on health care, about \$7,421 per person or 16.2 percent of the Gross Domestic Product (GDP).[2] According to the Congressional Budget Office (CBO), federal spending on Medicare and Medicaid is projected to rise from 4 percent of GDP in 2007 to 19 percent of GDP in 2082.[3]

Rising health care costs are not only affecting federal health expenditures. Health insurance premiums have doubled in the past eight years and, when combined with increasing out-of-pocket costs like co-payments and deductibles, more Americans than ever struggle to get the health care they need.[4] Increasing medical costs contribute to bankruptcies, foreclosures, and burden American businesses trying to remain competitive in the global economy. [5,6,7]

Reduced access to care. In the past eight years, an additional 6.9 million Americans have lost their health insurance coverage, and 45.7 million Americans are now uninsured.[8] During the past two years, approximately 87 million people were uninsured at some point.[9] Furthermore, nearly 160 million Americans with employer-based health insurance are only a pink slip away from losing their coverage. Every one percentage point increase in the unemployment rate is associated with an increase of more than one million uninsured.[10] Yet, having a job does not guarantee access to health insurance, as more than 80 percent of the uninsured are in working families.[11] And, being uninsured has direct, negative consequences on Americans' health; according to a report by the Urban Institute, 22,000 uninsured adults die prematurely each year as a direct result of their lack of insurance.[12]

Inconsistent quality of care. Even for those Americans fortunate to have health insurance, our health care system does not provide the consistent, quality care they need and deserve, nor does it accurately reflect the \$2.2 trillion annual investment we make. In 2004, the last year for which complete data are available, the United States ranked 29th in the world in infant

mortality.[13] Furthermore, the U.S. infant mortality rate remained essentially unchanged between 2000 – 2005, at approximately 6.86 infant deaths per 1,000 live births.[14] Our health care system also leaves much to be desired in coordinating care for patients with chronic diseases. For example, a recent report found that if every state achieved the diabetes control levels of the top four best performing states, at least 39,000 fewer patients would have been admitted to the hospital for uncontrolled diabetes, savings as much as \$126.7 million annually.[15]

Senate Democrats are Improving America's Health Care System

In the 111th Congress, Senate Democrats have already passed significant legislation that will create American jobs, invest in America's future, and address the skyrocketing costs of health care. These Democratic initiatives address inherited problems that have been neglected over the past eight years.

Children's Health Insurance Program. Earlier this year, Senate Democrats passed the *Children's Health Insurance Program Reauthorization Act of 2009* (CHIPRA), which reauthorized the Children's Health Insurance Program (CHIP) to continue and expand access to health insurance for lower-income children. The legislation was signed into law by President Obama (**P.L. 111-3**) on February 4, 2009. The CHIP legislation will allow 6.7 million children to continue to receive health care coverage and extends coverage to 4.1 million children who are currently uninsured. The legislation also provides a new option for states to remove the 5-year waiting period for legal immigrant children and pregnant women, providing those who qualify with immediate access to Medicaid and CHIP.

American Recovery and Reinvestment Act and the Omnibus Appropriations Act of 2009. In February, Congress enacted the *American Recovery and Reinvestment Act of 2009* (*Recovery Act*) (**P.L. 111-5**) to help our nation recover from the current recession and make long-term investments to strengthen our economy. The *Recovery Act* provides crucial funding to states facing budget shortfalls due to the severe economic downturn. Prior to the passage of this legislation, at least 34 states had begun to close their budget gaps by eliminating or reducing critical social services to citizens, including health care services.[16] The funding provided by the *Recovery Act* has allowed states to maintain their programs, saved jobs, and created new opportunities for work.

In March, Senate Democrats passed the *Omnibus Appropriations Act of 2009* (*Omnibus*), (**P.L. 111-8**), which provided the funding necessary to continue government services throughout Fiscal Year 2009, including for the Department of Health and Human Services. Taken together, these legislative initiatives ensure continuity of care, expand health care coverage to Americans in need, and take steps towards making health care more affordable. Given the strain that health care costs place on American families and businesses, making critical investments in our nation's health care system will strengthen the economy and help lead to long-term economic prosperity.

Senate Democrats have tried to meet the growing need for affordable health insurance with increased funding to provide health care to a wide-range of Americans, including:

- **The elderly.** Medicare was created in 1965 to provide health insurance for people age 65 and older. The *Omnibus* provides \$45 million for outreach to seniors to help these newly-eligible individuals understand which Medicare benefits are available to them.

- **The recently unemployed.** Sixty-one percent of the non-elderly population receives health insurance through an employer. [17] The *Recovery Act* provides temporary subsidies to individuals recently laid off so that they can maintain their health coverage. Some recently unemployed individuals will be eligible for a nine-month subsidy that will cover 65 percent of the cost of maintaining their employer-sponsored coverage (also known as COBRA).
- **High-risk individuals.** Some individuals are denied affordable health care coverage because of pre-existing medical conditions. The *Omnibus* provides \$75 million for state high-risk insurance pools to provide affordable health insurance to nearly 200,000 individuals with high-risk medical conditions.
- **Rural communities.** The *Omnibus* provides \$289 million for programs designed to help rural communities address their unique health care challenges. These funds will support more than 1,200 small, rural hospitals which will serve more than 700,000 rural residents in underserved communities.
- **Vulnerable communities.** The *Omnibus* provides \$2.2 billion for the Community Health Centers program, which includes community health centers, migrant health centers, and health care centers for the homeless. These organizations provide primary health care and social services for those without other access to care. The *Recovery Act* included an additional \$500 million for the operation of the nation's Community Health Centers, and an additional \$1.5 billion for construction and equipment at these vital centers.

Health information technology. Investments in health information technology (IT) have the potential to save billions of dollars by reducing health care costs and improving the quality of care for all Americans. The *Recovery Act* includes \$19 billion for the modernization and implementation of health IT. This investment will provide long-term dividends including more efficient and effective care as additional health care providers utilize interoperable electronic health records.

Investments in critical research. The *Recovery Act* and *Omnibus* directed a total of more than \$40 billion to the National Institutes of Health for funding biomedical research in areas such as cancer, Alzheimer's, heart disease, diabetes and stem cells. These investments could lead to new cures and treatments, and will address debilitating health conditions that prevent our workforce from reaching optimal productivity.

Training for health professionals. Medical professionals are in high demand and short supply. This problem is likely to grow as medical personnel reach retirement age, and the aging population demands increased care. The *Recovery Act* provides \$500 million to address the workforce shortages in health professions. The *Omnibus* directs \$842 million to train doctors and other medical personnel providing improved access to critical health care services.

Preventive care to protect individuals from chronic disease. The *Recovery Act* includes over \$650 million for prevention and wellness programs to keep our communities healthy and productive. The *Omnibus* includes an additional \$882 million, including \$25 million to provide colorectal cancer screening and follow-up care. An additional \$63.4 million was included for efforts to prevent autism and support those families affected by autism.

Senate Democrats are Committed to Reforming Our Health Care System

This week, the Senate is considering the *Fiscal Year 2010 Budget Resolution (S. Con. Res. 13)*. The *Budget Resolution* reflects the American people's priorities for health care and lays the groundwork for our nation's long-term economic security. Our budget builds on investments already made during this Congress and sets the stage for reforming our health care system to ensure fiscal stability, economic strength, and the well-being of all Americans.

Supporting health care reform. The President's budget and the *Budget Resolution* acknowledge that we have a moral imperative to accomplish fiscally-responsible health care reform this year, and recent economic events have demonstrated we also have an economic incentive to do so. The Congressional Budget Office (CBO) estimates that, absent changes in federal law, total spending on health care will rise from 16 percent of gross domestic product (GDP) in 2007 to 25 percent in 2025, and close to 50 percent in 2082.[18] The *Budget Resolution* recognizes that this course is not sustainable, and includes a deficit-neutral reserve fund to facilitate the passage of legislation that modernizes our health care system, mirroring the President's eight principles for health reform and focusing on our common goals of constraining costs, expanding access, and improving quality. Inclusion of this reserve fund provides flexibility for authorizing Committees to consider reform proposals and determine the appropriate spending level and offsets required to get control of runaway health care spending, restore fiscal sustainability to federal health programs, and make health care affordable for families, businesses, and governments.

Substantial improvements to our health care system may require upfront investments, and delivery system reforms may not yield immediate savings. Recognizing this, the *Budget Resolution* provides necessary flexibility, allowing health reform legislation to be fully offset only over the 2009 to 2019 period, and provides that such legislation be fiscally sustainable over the long-term.

Promoting community health centers. Federally Qualified Health Centers (FQHCs), including community health centers, migrant health centers, and health care centers for the homeless, provide primary health care and social services for Americans who do not have other access to care. In 2007, more than 16 million people received care through these health centers, 91 percent of whom have incomes below 200 percent of the federal poverty level. The *Budget Resolution* recognizes the critical role these centers play in our health care safety net, and building on the \$2.5 billion investment included in the *American Recovery and Reinvestment Act (P.L. 111-5)*, provides \$2.9 billion for FQHCs in 2010, a \$798 million increase above the 2009 enacted level.

Investing in biomedical research. The National Institutes of Health (NIH) are the leading source of biomedical research and play an essential role in improving human health and extending lives. The 27 Institutes and Centers provide leadership and financial support to researchers in every state and throughout the world. Despite the prominence and importance of the NIH, however, lack of sufficient funding during the previous Administration threatens the pace of biomedical research and, if not addressed, could delay cures and treatments now within reach. The *Budget Resolution* builds on the \$40 billion investment in the NIH included in the *Recovery Act* and the *Omnibus* by supporting funding for the NIH.

Improving access to health care professionals. Health care professionals are in high demand and short supply, a problem that is likely to become worse due to an aging workforce

and an aging population demanding increased care. The *Budget Resolution* refocuses attention on this critical need by prioritizing programs to ensure Americans have access to health professionals.

- The *Budget Resolution* supports the **Health Professions** program, which trains health professionals to respond to the needs of special and underserved populations as well as to increase the racial and ethnic diversity of the health care workforce.
- The **National Health Service Corps** also plays an important role in maintaining our health care safety net by placing primary health care providers in our nation's underserved communities, and the *Budget Resolution* prioritizes this important work.
- Absent Executive or Congressional action, physicians face a substantial cut in **Medicare reimbursement** in 2010, which causes some physicians to question their participation in this critical program. The *Budget Resolution* provides a deficit-neutral reserve fund to avoid these scheduled cuts in physician reimbursement, and to encourage physicians to train in primary care, ensuring an adequate supply of primary care residents and physicians.

Strengthening the Food and Drug Administration. Members of Congress and the public have been increasingly concerned about the ability of the Food and Drug Administration (FDA) to ensure the safety of the food, prescription drugs, and medical devices sold in the United States. The *Budget Resolution* includes a deficit-neutral reserve fund to facilitate the consideration of legislation giving the FDA authority to regulate products and to assess user fees on manufacturers or importers of those products, to cover the cost of FDA's regulatory activities.

Lowering prescription drug prices. American consumers pay the highest prices for prescription drugs in the world, and these high prices reduce access to life-saving medications, particularly for the millions of Americans who lack prescription drug coverage. The *Budget Resolution* recognizes the need to help Americans access lower-cost prescription drugs, and allows use of a reserve fund for deficit-neutral legislation permitting the safe importation of prescription drugs approved by the FDA, from a specified list of countries.

Investing in child nutrition. The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides grant funding to states to support healthy nutrition options for mothers and their children and infants. In addition to WIC, the School Breakfast and the National School Lunch Programs, the Summer Food Service Program (SFSP), and the Child and Adult Care Food Program (CACFP) provide critical assistance to children and families in need. Recognizing the importance of child nutrition and the WIC programs, particularly during times of economic distress, the *Budget Resolution* includes a reserve fund to allow for the reauthorization of these important programs.

Building on Success, Committed to Reform

Senate Democrats are committed to repairing the economy through long-term investments, including in health care, in order to address inherited problems that have been neglected over the past eight years. Senate Democrats will build on the success of the *Children's Health Insurance Program Reauthorization Act of 2009 (P.L. 111-3)*, *American Recovery and Reinvestment Act of 2009 (P.L. 111-5)*, and the *Omnibus Appropriations Act of 2009, (P.L. 111-8)* by passing a fiscally responsible budget plan that addresses the fiscal and economic crises inherited from the Bush Administration and lays the foundation for the long-term economic

security of the United States. The *Budget Resolution* sets the stage for future legislation to be considered by the 111th Congress, and it is built on the belief that quality, affordable, accessible health care is necessary for all Americans and is critical to our long-term economic recovery.

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Democrats are Providing Urgently Needed Tax Relief for Middle-Class Families

President Obama and the Democratic Congress have inherited the worst economic crisis in generations and are confronting a Republican Deficit created by years of irresponsible spending and misplaced priorities. While the road to a full, sustainable recovery is long, President Obama and the Democratic Congress have taken the first steps toward making critical investments that strengthen the middle-class and get our economy working again.

The *American Recovery and Reinvestment Act (P.L. 111-5)* and *Fiscal Year 2010 Budget Resolution (S. Con. Res. 13)* go a long way towards making life affordable again by providing *tax cuts* to hardworking middle-class families. These provisions are essential if we are to ensure that ALL Americans recover from this economic downturn.

Tax Relief in the Economic Recovery Package for the Middle-Class

In February, the Democratic-led Congress took the first step toward recovery by passing urgently-needed legislation requested by President Obama to help our nation recover from the current recession and make long-term investments to strengthen our economy. This bill, the *American Recovery and Reinvestment Act (P.L. 111-5)*, featured \$288 billion in tax cuts, including tax cut for 95 percent of all working households.

The *American Recovery and Reinvestment Act* will help alleviate the middle-class squeeze by providing tax relief to working Americans so that they can fully reap the benefits of their hard work and stabilize their families' finances.

Money back in the pocket of workers

- **The Making Work Pay Credit:** An individual tax credit of up to \$400 for working individuals and \$800 for working families in 2009 and 2010. This tax credit is calculated at a rate of 6.2 percent of earned income, and is phased out for taxpayers with adjusted gross income in excess of \$75,000 (\$150,000 for married couples filing jointly). Taxpayers will receive this benefit through a reduction in the amount of income tax that is withheld from their paychecks, or through claiming the credit on their tax returns. According to the White House, eligible taxpayers will see that tax cut in their paycheck by April 1, 2009.
- **Economic Recovery Payment:** A one-time payment of \$250 to Recipients of Social Security, SSI, Railroad Retirement and Veterans Disability Compensation Benefits.
- **Refundable Credit for Certain Federal and State Pensioners:** A one-time refundable tax credit of \$250 in 2009 to certain government retirees who are not eligible for Social Security benefits.

Increased relief for families

- **Increase in the Earned Income Tax Credit:** An increased credit for working families with three or more children. The credit percentage is increased for these families to 45 percent of the first \$12,570 of earned income (previously 40 percent). Also, to provide relief from the “marriage penalty,” the beginning point of the phase-out range for all married couples filing a joint return (regardless of the number of children) is increased by \$1,880.
- **Increased eligibility for the Refundable Portion of Child Credit:** An expansion in the eligibility for the refundable child tax credit in 2009 and 2010. For 2008, the child tax credit is refundable to the extent of 15 percent of the taxpayer’s earned income in excess of \$8,500. The *American Recovery and Reinvestment Act* reduces this floor for 2009 and 2010 to \$3,000.

Help for students

- **“American Opportunity” Education Tax Credit:** A new tax credit of up to \$2,500 of the cost of tuition and related expenses paid during the taxable year. Under this new program, taxpayers will receive a tax credit based on 100 percent of the first \$2,000 and 25 percent of the next \$2000 of tuition and related expenses (including books) paid during the taxable year. Forty percent of the credit is refundable. This tax credit is phased out for taxpayers with adjusted gross income in excess of \$80,000 (\$160,000 for married couples filing jointly).
- **Allowing computers to qualify as qualified education expenses in 529 Education Plans:** The list of qualified education expenses eligible to be funded from “529” tax-advantaged savings plans is expanded to include computers and computer technology.

Relief for the Unemployed

- **Temporary suspension of taxation of unemployment benefits.** A temporary suspension of the federal income tax on the first \$2,400 of unemployment benefits per recipient in taxable year 2009. Any unemployment benefits over \$2,400 will be subject to federal income tax. Under current law, all federal unemployment benefits are subject to taxation. The average unemployment benefit is approximately \$300 per month.

Incentives for First-Time Home Buyers

- **Refundable Home Buyer Credit:** Modification of a refundable tax credit that was equivalent to an interest-free loan equal to 10 percent of the purchase of a home (up to \$7,500) by first-time home buyers. The provision, originally enacted last year, applied to homes purchased on or after April 9, 2008 and before July 1, 2009. Taxpayers receiving this tax credit are currently required to re-pay any amount received under this provision to the government over 15 years in equal installments, or, if earlier, when the home is sold. The credit phases out for taxpayers with adjusted gross income in excess of \$75,000 (\$150,000 in the case of a joint return). The *American Recovery and Reinvestment Act* eliminates the re-payment obligation for taxpayers that purchase homes after January 1, 2009, increases the maximum

value of the credit to \$8,000, removes the prohibition on financing by mortgage revenue bonds, and extends the availability of the credit to homes purchased before December 1, 2009. The provision retains the credit recapture if the house is sold within three years of purchase.

Protection from the AMT

- **Extension of AMT relief for 2009:** An extension of Alternative Minimum Tax (AMT) relief for nonrefundable personal credits and increasing the AMT exemption amount to \$70,950 for joint filers and \$46,700 for individuals. This will provide more than 26 million families with tax relief in 2009.

Tax Relief in the Budget for the Middle-Class

The middle-class experienced few of the benefits of economic growth in recent years. Indeed, the median income of working households fell in adjusted terms by nearly \$2,000 between 2000 and 2007. And that situation, of course, has further worsened during the current recession.

The *Fiscal Year 2010 Budget Resolution (S. Con. Res. 13)*, which is being debated on the Senate Floor this week, cuts taxes for working families and ends the irresponsible Bush tax giveaways to multimillionaires. The *Budget Resolution* also makes it easier for families to send their children to college and save for retirement. And, for those families whose ingenuity and entrepreneurship fuel our economy, our budget would eliminate capital gains for investments in small businesses. The *Budget Resolution* accommodates substantial tax relief for the middle-class through:

Extension of the middle-class tax cuts that expire in 2010

The *Budget Resolution* makes permanent the 2001 and 2003 tax cuts for middle-income taxpayers, including:

- Marriage penalty relief;
- The 10-percent income tax bracket;
- The \$1,000 child tax credit; and
- Other 2001 and 2003 tax changes for couples with incomes under \$250,000 and singles with incomes under \$200,000, including the 25 percent and 28 percent income tax brackets and the preferential rates for capital gains and dividend income.

Assistance for those who need it most

- The *Budget Resolution* would make permanent the expansions of the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC), enacted as part of the *American Recovery and Reinvestment Act*.

The EITC expansion increases the credit for families with three or more children and provides additional relief for low-income married couples, while the CTC expansion lowered the income threshold for eligibility for a refundable credit to \$3,000.

Help for families to send their children to college

- The *Budget Resolution* proposes to make permanent the American Opportunity Tax Credit, which was enacted as part of the *American Recovery and Reinvestment Act*. This tax credit expands the Hope Credit, increasing the credit amount to \$2,500 and making it available for four years; in addition, a portion of the benefit is available to those with no income tax liability.

Savings incentives

- The *Budget Resolution* provides for automatic enrollment in IRAs and 401(k) programs, requiring employers that do not offer 401(k)s to offer automatic enrollment in IRAs, allowing employees to contribute through payroll tax deductions.
- The *Budget Resolution* expands tax credits that reward saving for retirement, including making the “saver’s credit” fully refundable.

Protection from the AMT

- The *Budget Resolution* protects millions of middle-class families from being hit by the alternative minimum tax for the next three years, a tax originally intended to apply only to the very wealthy.

Supports small businesses

The financial crisis is threatening the viability of America’s small businesses. Even if they have healthy balance sheets and operations, family-run companies and other small firms are faced with restricted access to credit and skyrocketing health care costs.

- The *Budget Resolution* provides an incentive for investment in small businesses to help create jobs and turn our economy around by providing for the elimination of all capital gains taxes on investments made in small and start-up businesses.
- The *Budget Resolution* also calls for making permanent the current expensing rules for small businesses.

Democrats are Making Urgently Needed Investments in Housing and Community Development

As Democrats work to reverse the Republican Deficit and get the economy working again by making long-term investments, creating jobs, providing middle class tax relief, we have not forgotten the origin of the current recession: the crash of the housing market. In the coming weeks and months, we will build upon legislation passed in the 110th Congress, the [Omnibus Appropriations Act, 2009](#), the [American Recovery and Reinvestment Act of 2009](#), President Obama's "[Making Home Affordable](#)" program, and propose new solutions to prevent unnecessary foreclosures, help struggling homeowners, stabilize the financial markets, encourage new and responsible home purchases, and help communities recover from massive home foreclosures.

Congress is currently considering the *Fiscal Year 2010 Budget Resolution (S. Con. Res. 13)*, a fiscally responsible blueprint for America's future, which will reflect the President's housing priorities by investing in community economic development, affordable housing, and housing assistance, including foreclosure mitigation.

President Obama and Congressional Democrats inherited an epic housing crisis.

The American dream of homeownership is becoming less and less of a reality for millions of Americans and their families. Years of abuse by the mortgage lending industry, excessive risk taking by investors, lax regulation under the Bush Administration, lack of affordable housing, and poor choices by some homeowners resulted in a nationwide housing crisis that is crippling the entire U.S. economy.

During the third quarter of 2008, one in ten American homeowners found themselves either behind in mortgage payments or facing foreclosure.¹ According to the Mortgage Bankers Association, nearly 7 percent of mortgages were 30 days or more past due (an increase of 58 basis points from the previous quarter), a record high.² Disturbingly, this increase was due to the rise in mortgages past due by 90 days or more.

According to RealtyTrac, more than 2.3 million U.S. properties faced foreclosure in 2008, an 81 percent increase from 2007.³ This was added to the 1.3 million properties that faced foreclosure in 2007, a 75 percent increase from 2006.⁴ It is estimated that 1.2 million of the foreclosures in 2008 were on residential properties. And while Democrats are working to lower this number through aggressive homeowner assistance programs, early forecasts project that overall foreclosures could rise by 2.4 million in 2009 and by 8 million (1 in 9 households) over the next five years as adjustable rate loans continue to adjust higher and Americans grapple with job loss and rising unemployment.⁵

Even homeowners with strong credit, who are in safe, fixed-rate loans are suffering from the reduction in property values and home equity wealth that result from foreclosures in their neighborhoods.⁶ In February 2009, the National Association of Realtors reported that the national median existing single-family home price in the fourth quarter of 2008 dropped 12.4 percent below the fourth quarter of 2007 price.⁷ It is estimated that by the end of 2009 more

than 40 million homeowners will have experienced a decline in their home values due to surrounding foreclosures.⁸

Worse, the current mortgage crisis has dampened the hopes of many aspiring homeowners. The failure of subprime mortgages, on which many banks and investment firms had placed their economic futures, has resulted in a freeze on the credit markets. Despite dropping interest rates and housing prices, the ensuing credit crunch has made it more difficult for all but the most credit-worthy to find an affordable home loan.⁹ A Federal Reserve study found that approximately 55 percent of U.S. banks have increased standards for prime mortgage loans, and 85 percent of banks have increased standards for nontraditional mortgage loans.¹⁰ This month, the National Association of Realtors reported that even while existing-home sales *increased* during February 2009, sales decreased significantly in January, were down overall by 4.6 percent from February 2008, and the inventory of unsold homes increased.¹¹

In addition to home loans, the credit card safety-net relied upon by many Americans to cover basic necessities during hard times has all but withered away as financial institutions have tried to minimize their risk, making it even more difficult for homeowners to make mortgage payments and aspiring homeowners to save for a down-payment.¹²

Massive home foreclosures have destabilized surrounding communities. Cities and towns across America have experienced business closings, increased crime, increased costs, and an undermined tax base due to the inability of homeowners to make mortgage payments and the eventual abandonment of homes in their neighborhoods.

According to one study, a municipality may incur between \$430 and \$34,000 in direct costs *per* foreclosed property due to “inspections, court actions, police and fire department efforts, potential demolition, unpaid water and sewage, and trash removal,” depending on whether the property is secured and the duration of the vacancy.¹³ Even taking the lower number, these increased costs place a strain on communities already struggling to deal with budget shortfalls (due in part to the reduction in state and local aid from the federal government during the Bush Administration) and devastate lower-income communities which are already vulnerable to economic disruption and are facing the highest levels of home foreclosure. In addition to these property-focused costs, high foreclosures also place a strain on social programs and public services. Beyond municipal costs, high foreclosures eviscerate local tax bases. By the end of 2009, surrounding foreclosures are estimated to decrease home values by \$352 billion.¹⁴

Moreover, as Americans experience decreasing home values, rising costs for necessities, stagnant wages, sustained job loss, and lowered credit, they are less likely to spend. The reduction in consumer spending has led to closings and layoffs in consumer driven businesses – small and large, which begets more foreclosures and begins the cycle of economic struggle all over again.

The home loan crisis has only exacerbated the nation’s ongoing affordable housing crunch. Even as the dream of homeownership has become more elusive, increased demand, cost, and standards for rental housing has made it more difficult for non-owners to rent. According to the Center for Housing Policy, between 1996 and 2006, housing costs for renters rose by 51 percent, while incomes rose by only 31 percent. In the wake of the housing crisis and rise in unemployment, it is expected that this schism will widen. It is also expected that rental costs will increase as homeowners of multifamily units deal with their own increased costs and are forced to pass on those costs to their tenants.¹⁵ That National Low Income Housing Coalition estimates that more than 40 percent of those at risk of eviction due to foreclosure are

renters, many of whom do not even realize they are at risk because they are not the property owner.¹⁶

Democrats are preparing for a comprehensive response to the housing crisis.

The Obama Administration has prioritized adequately funding Housing and Urban Development programs that increase homeownership, support innovating and sustainable community development, and increase access to affordable housing. This is a marked departure from the Bush Administration, which routinely proposed massive funding cuts to critical housing programs for Americans and communities in need, even as it became clear the nation was in the midst of a housing crisis.

The Democratic *Budget Resolution* reflects President Obama's preliminary budget priorities and provides for:

- ✓ Investments in housing assistance to follow up on the Administration's "Making Home Affordable" initiative, a program to help homeowners whose homes have been devalued due to neighboring foreclosures refinance affordably, and homeowners who are struggling or on the brink of foreclosure modify their mortgage loans;
- ✓ Capitalization of the Housing Trust Fund, which would finance the development, rehabilitation, and preservation of affordable housing for very low income residents; and
- ✓ Increased resources for affordable housing programs, such as the Public Housing Capital Fund, Hope VI Distressed Housing Program, Housing for the Disabled, Housing for the Elderly, and the Section 8 tenant-based Housing Choice Voucher program and the project-based Section 8 program.

The *Budget Resolution* further provides for increased funding for the Community Development Block Grant (CDBG), the largest source of federal grant assistance in support of state and local government housing and community development efforts as communities attempt to deal with foreclosures and the economic downturn. The resolution also allots funding for investments in infrastructure, which may include building and improving public housing.

Recognizing that of the subprime mortgage and, now, global economic crisis was caused, in part, by predatory lending, fraud, and corporate malfeasance, the *Budget Resolution* increases much-needed resources for regulators and law enforcement agencies to aggressively investigate and prosecute financial fraud.

ENDNOTES

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 - 15 Center for Housing Policy, “Stretched Thin, The Impact of Rising Housing Expenses on America’s Owners and Renters” (October 2008), available [here](#).
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The Democratic Budget Invests in America's Future and Focuses on Middle-Class Families

President Obama and the Democratic Congress have inherited the worst and most complex economic crisis in generations. The Republican Deficit - eight years of misguided policies and misplaced priorities - have taken our economy from prosperity to recession and made life for working families less affordable and less secure. While the American people know the road to a full, sustainable recovery is long, they took the first step by tasking President Obama and the Democratic Congress with the responsibility to realign Washington's priorities with those of the American people and getting our economy working again.

The 111th Congress took the next steps in February by passing an economic recovery package that creates jobs, cuts taxes for the middle class, and invests in the future. Though we are confident that this will boost our economy, there is far more work to be done. Next on the agenda is passing a responsible budget that will serve as the blueprint for a prosperous future.

The *Fiscal Year 2010 Budget Resolution (S. Con. Res. 13)* will:

- Make critical investments in our future by investing in renewable energy, education, and health care;
- Cut taxes for hardworking, middle-class families; and
- Take an honest look at our budget and cut the deficit in half over four years.

We ask our Republican colleagues to work with us in a bipartisan manner to reject the mistaken policies and priorities that caused the economic crisis and embrace a budget that reflects the priorities of the American people and puts our nation on the path towards prosperity once again.

Investing in Our Future

Powering Our Economy with Clean Energy

Our nation has been burdened for far too long by an energy policy that has hindered economic growth and sustainable job creation, jeopardized our national security, and profoundly affected our environment. That's why our budget supports significant investments in energy efficiency and renewable energy and takes an important first step in developing an economy-wide greenhouse gas emissions reduction program.

Specifically, our budget:

- **Calls for new investments in energy efficiency and clean renewable energy.** The opportunity exists for major advances in our nation's use of energy and development of renewable energy, which can help put our economy back on track, improve our energy security, and make America the engine of innovation in the 21st Century.
- **Relies on sparking American ingenuity to address our reliance on oil.** Despite recent decreases in the price of oil, the nation is dangerously dependent on oil, especially foreign oil. We can reduce our reliance on oil by accelerating the development of

advanced biofuels, clean alternative fuels, and building hybrid and hybrid electric vehicles.

- **Supports a significant investment in clean energy technologies.** With strategic investments in research and development, we can lead the world in the development of technologies and products that will create jobs and address the country's enormous economic, environmental, and security challenges.
- **Builds upon the \$67 billion* in clean energy investments made in the *American Recovery and Reinvestment Act*.** The budget supports new funding for energy efficiency, solar, biomass, wind, and geothermal energy resource development, as well as modernizing the nation's electricity grid, and carbon capture and sequestration.
- **Continues progress toward the goal of weatherizing one million homes annually.** This will save energy consumers billions of dollars every year and reduce greenhouse gas emissions.

**Calculated by the Congressional Research Service, "Energy Provisions in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).*

Modernizing Our Education System

A high-quality education is the key to success in today's global marketplace. Our budget recognizes that to maintain our competitiveness in the world economy, our students need to be equipped with the tools necessary to succeed in the 21st Century. This includes learning opportunities that extend from the earliest stages of life through adulthood, when many Americans find themselves in need of retooling their skills to meet the demands of a new economy. We also understand that it is more important than ever that our students graduate from high school and continue to advance their education in college. Unfortunately, the average cost of attending a public, four-year institutions has risen dramatically since 2001, and the rising costs of education have been compounded by the economic downturn which has depleted families' savings and threatened the possibility of higher education for many students. The budget addresses these critical needs by providing our students with the proper support and resources.

Specifically, our budget:

- **Expands early childhood education.** Numerous studies show that children who participate in early education programs are more likely to graduate from high school and more likely to secure a job. The budget includes new initiatives to ensure that childhood education programs continue to produce good results for children.
- **Strengthens standards, supports effective teaching and invests in innovative programs.** The Democratic budget recognizes that global competition requires increased skills by assisting states in increasing their standards to better prepare our students. To meet these standards, our budget will invest in programs to reward high-performing teachers, assist those in need of more effective approaches, and develop strategies to recruit, evaluate and support teachers.

- **Accommodates the President's proposal for student aid.** As the cost of attending college has risen, our assistance to students and their families has not matched the need. The budget supports a \$5,550 maximum Pell Grant award and accommodates the President's student aid proposals. Changes are needed to address the reality of the increasing cost of higher education, and the need to secure funds for families struggling to keep up with the costs.

[Making Quality Healthcare Affordable](#)

Every American deserves affordable, high-quality health care. Unfortunately, families and businesses are overwhelmed by the skyrocketing costs of health care. The cost of family health insurance has dramatically increased by nearly 80 percent since 2001, compared with a 24 percent increase in overall inflation. Over the past eight years, the number of uninsured Americans has increased by 6.9 million to 45.7 million Americans without the benefits of health care coverage. As unemployment grows, more families will find themselves without affordable health care and unable to maintain coverage. Some will discover that they are unable to afford the high premiums because of pre-existing medical conditions. We understand the complex nature of our health care crisis, and this budget addresses the myriad problems with the health care system.

Specifically, our budget:

- **Supports health care reform.** To stabilize our economy, we must reform health care and help middle-class families and businesses struggling to pay for the rising costs of care. Our budget will facilitate health care reform legislation which will lower the cost and improve the quality of health care for every American.
- **Expands access and modernizes health information technology.** Investments in health information technology (IT) have the potential to save billions of dollars by reducing health care costs and improving the quality of care for all Americans. The budget will help promote the adoption of health IT so doctors can seamlessly and efficiently provide high-quality care to their patients.
- **Creates more jobs for health care professionals to meet the growing needs of our aging population.** Medical professionals are in high demand and short supply. This problem is likely to become worse as medical personnel reach retirement age, and the aging population demands increased care. The budget supports loan repayment programs for doctors, nurses, and dentists who decide to practice in underserved communities, and supports nursing schools to increase the number of students earning nursing degrees.
- **Invests in critical research to cure cancer.** Our budget will strengthen cancer research, enabling scientists to develop innovative tests, treatments and cures as they encourage prevention, early detection and effective treatments that save lives.
- **Expands access to underserved communities.** Some communities do not have the proper resources to promote and support healthy lives. This budget accommodates expanding access to health care services for American Indians and Alaska Natives with an emphasis on improving health outcomes and healthy communities. Investments are also made to improve access to health care in rural areas. These initiatives will

encourage regional and local partnerships between health care providers, expand prevention programs, and support the modernization of health care infrastructure.

Giving the Middle-Class a Tax Cut

Middle-class families are being squeezed between prices that are rising and incomes that are not. Our budget strengthens the middle class so those individuals and their families can reap the benefits of their hard work. First and foremost, this budget cuts taxes for working families and ends the irresponsible Bush tax giveaways to multimillionaires. Our budget also makes it easier for families to send their children to college and save for retirement. And, for those families whose ingenuity and entrepreneurship fuel our economy, our budget would eliminate capital gains for small businesses.

Specifically, our budget:

- **Extends the middle-class tax cuts that expire in 2010.** The budget makes permanent the 2001 and 2003 tax cuts that were targeted on middle-income taxpayers, including marriage penalty relief, the 10-percent bracket, and the \$1,000 child tax credit. It also extends other provisions for families with incomes under \$250,000, as proposed by President Obama.
- **Helps those who need it most.** The budget would make permanent the expansions of the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC), enacted as part of our economic recovery package. The EITC expansion increases the credit for families with three or more children and provides additional relief for low-income married couples, while the CTC expansion lowered to \$3,000 the income threshold for eligibility for a refundable credit.
- **Makes it easier for families to send their children to college.** The budget proposes to make permanent the American Opportunity Tax Credit, which was enacted as part of our economic recovery package. This tax credit expands the Hope Credit, increasing the credit amount to \$2,500 and making it available for four years; in addition, a portion of the benefit is available to those with no income tax liability.
- **Boosts workers' savings.** The budget provides for automatic enrollment in IRAs and 401(k) programs, and expanding tax credits that reward saving for retirement. The budget proposals would expand the "saver's credit," including making it fully refundable; and require employers that do not offer 401(k)s to offer automatic enrollment in IRAs, allowing employees to contribute through payroll tax deductions.
- **Protects middle-class families from falling into the web of the Alternative Minimum Tax.** The budget protects millions of middle-class families from being hit by the alternative minimum tax for the next three years, a tax originally intended to apply only to the very wealthy.
- **Supports small businesses.** The financial crisis is threatening the viability of America's small businesses. Even if they have healthy balance sheets and operations, family-run companies and other small firms are faced with restricted access to credit and skyrocketing health care costs. This budget provides an incentive for investment in small businesses to help create jobs and turn our economy around by providing for the

elimination of all capital gains taxes on investments made in small and start-up businesses. It also calls for making permanent the current expensing rules for small businesses.

Budgeting Honestly and Responsibly

We understand that every dollar we spend belongs to the taxpayers. The American people deserve to know where their money is going so that they can hold their elected leaders accountable.

After eight years of runaway-spending based on the irresponsible policy choices of the Bush Administration, our budget will cut the deficit we inherited in half by the end of President Obama's first term in office. In that short time, the budget deficit will go from comprising more than 12.2 percent of our GDP in 2009 to 2.9 percent in 2014. This budget is a sharp reversal of previous policies that were characterized by loose oversight and weak enforcement, rife with risk, and that resulted in unprecedented debt.

By contrast, this budget outlines savings for future generations by reducing how much we borrow to spend on the war in Iraq, reforming our health care system, getting rid of ineffective programs, and ending the irresponsible tax giveaways for multimillionaires and companies that ship jobs overseas. By moving away from the previous Administration's use of supplemental requests, this budget will restore transparency and accountability to spending on the wars in Iraq and Afghanistan. The Democratic budget includes a war funding request that is separate, but alongside the base defense budget request, in order to ensure effective oversight of these funds and save defense resources.

The smart investments we make today will lay the foundation for future economic growth, lower the high costs of health care, help reduce our dependence on oil, create millions of clean-energy jobs that cannot be outsourced, and ensure all of our children get a world-class education so they can compete and succeed in the global economy.

After eight years of misguided spending and misplaced priorities, Democrats understand that every dollar we spend belongs to the taxpayers. With a renewed commitment to fiscal discipline, our budget will address our nation's long-term economic challenges and usher in a new era of responsibility.

Democratic Accomplishments in the 111th Congress: Honoring the American People's Call for Change

Senate Democrats will honor the faith Americans have placed in us to bring about needed change in this country by advancing a bold agenda that rebuilds and reinvests in America. In the coming weeks and months we look forward to enacting legislation to protect homeowners and consumers, make America more energy independent, expand access to quality health care, and improve educational opportunities.

Under Democratic leadership, the Senate has already had the most productive three months in recent history. We have passed major pieces of legislation to create and retain millions of jobs, erase pay discrimination, provide health care to our nation's children, expand volunteerism nationwide, and by week's end, we will have passed a fiscally responsible budget that cuts taxes for middle-class families and makes critical investments in our nation's future.

As we move forward in the 111th Congress, Senate Democrats understand that our nation has inherited some of the most severe challenges we have faced in generations. These problems did not develop overnight nor will they be solved in a day, but our current problems are no match for the strength and ingenuity of the American people. Working together, we can move our nation forward to deliver the change Americans demand and the progress America so desperately needs.

Strengthening the Economy and Reinvesting in America

Senate Democrats passed an economic recovery package that will get the American economy working again. Over the last eight years, life for millions of American families has grown less affordable and less secure. Americans have suffered from lower wages, fewer jobs, declining home values, foreclosures, and skyrocketing costs for basic necessities like gas, health care, and college tuition. Years of misguided fiscal policies and irresponsible regulatory failures have contributed to a financial meltdown that is crippling the national and global economy and threatening the American Dream for people throughout the country. Never before has the need for a strong economic recovery package been as urgent or as clear.

On February 13, 2009, by a supermajority vote of 60, the Senate sent the *American Recovery and Reinvestment Act of 2009 (H.R. 1)* to President Obama for signature. This urgently-needed legislation will create new jobs and save those that may be lost; cut taxes for the middle class; and invest in America's future. This legislation will also provide transparency and accountability to guarantee that all taxpayer money is invested responsibly.

Specifically, the economic recovery legislation will create and maintain jobs through targeted funding of infrastructure, renewable energy and other job-intensive projects, increased nutrition assistance, and broad-based tax relief. The legislation provides incentives for businesses to create and retain jobs, particularly in the green energy sector; aid to states in fiscal crisis; help with health care for workers and struggling families; job-creating investments in health care; and expanded unemployment benefits.

The bill was signed into law on February 17 (**P.L. 111-5**).

ADDITIONAL RESOURCES: DPC released several documents related to the *American Recovery and Reinvestment Act of 2009*: [The American Recovery and Reinvestment Act of 2009: Creating Jobs, Investing in Our Country's Future, and Cutting Taxes--Final \(State-by-State Fact Sheets\)](#); [The American Recovery and Reinvestment Act of 2009 Creates Jobs, Investing in America's Future, and Cutting Taxes](#); [American Recovery and Reinvestment Act of 2009 Implementation and Accountability Resources](#); [The American Recovery and Reinvestment Act of 2009 Cuts Taxes for Working Families](#); [The American Recovery and Reinvestment Act of 2009 Creates New Jobs and Saves Those at Risk](#); [The American Recovery and Reinvestment Act of 2009 Invests in America's Future](#); and [The American Recovery and Reinvestment Act of 2009 Takes Steps to Stabilize the Housing Market](#). See also the [Senate Committee on Appropriations](#) and the [Senate Committee on Finance](#) summaries of the final bill.

Improving and Expanding Health Care

Congress overwhelmingly approved critical legislation to renew and expand the Children's Health Insurance Program (CHIP). For the past twelve years, CHIP has played a crucial role in helping to reduce the rate of uninsured children from lower-income families. The program was set to expire in March 2009. Despite overwhelming bipartisan support for similar legislation passed by the Senate and House in the 110th Congress, President Bush twice vetoed bills to expand the program. After two years of hard work by Democrats to improve and expand health care for children, in February, the 111th Congress passed and the President signed the *Children's Health Insurance Program Reauthorization Act of 2009 (S. 275)*, a bipartisan bill that authorizes \$32.8 billion in new funding for CHIP to provide quality health care coverage for almost 11 million children. The legislation will allow 6.7 million children to continue to receive health care coverage and extend coverage to 4.1 million children who are currently uninsured. The program has been renewed through Fiscal Year 2013. This legislation provides a new option to states to remove the 5-year waiting period for legal immigrant children and pregnant women, providing those who qualify with immediate access to Medicaid and CHIP.

The CHIP legislation will also:

- Increase and target funding for states facing budget deficits;
- Improve state tools for outreach and enrollment;
- Provide bonus payments to states enrolling the lowest-income children;
- Improve the quality of health care for low-income children;
- Help reduce racial and ethnic disparities in coverage and quality;
- Prioritize children's coverage in CHIP by moving childless adults out of CHIP and prohibiting additional adult coverage in CHIP;
- Improve access to critical benefits such as dental coverage;
- Reduce administrative barriers to enrollment, including the option for states to use an applicant's Social Security Number (SSN) to confirm eligibility for Medicaid or CHIP;
- Improve access to private coverage options through new premium assistance rules; and
- Maintain state flexibility to set eligibility levels for the program based on the cost of living in each state.

On January 29, 2009, the Senate passed the legislation by a vote of 66 to 32. The bill (assigned **H.R. 2**, but with the text of **S. 275**) was agreed to in the House on February 4, 2009. The President signed this legislation into law on February 4, 2009 (**P.L. 111-3**).

ADDITIONAL RESOURCES: DPC released a Legislative Bulletin on [S. 275, the Children's Health Insurance Program Reauthorization Act of 2009](#).

Ensuring Justice for All Americans

The 111th Congress passed a law to ensure fair pay for all Americans. While the battle for equality and civil rights is far from over, in January 2009, all those who believe in the promise of “equality and justice for all” achieved a major victory when President Obama signed the *Lilly Ledbetter Fair Pay Act of 2009* into law (**P.L. 111-2**). In doing so, Congress and President Obama ended a nearly two-year battle to overturn a Supreme Court decision that made it more difficult for victims of pay discrimination to seek redress and receive justice.

In *Ledbetter v. Goodyear Tire & Rubber Co., Inc.*, the Court ruled that the 180-day statute of limitations on filing a discrimination claim with the Equal Employment Opportunity Commission (EEOC) under Title VII of the *Civil Rights Act of 1964* begins to run when the original discriminatory decision is made and conveyed to the employee, regardless of whether the pay discrimination continues beyond the 180-day period. This ruling reversed a long-standing interpretation, used by nine federal circuits and the EEOC in both Democratic and Republican Administrations, under which the statute of limitations began to run each time an employee received a pay check or other form of compensation reflecting the discrimination.

The *Lilly Ledbetter Fair Pay Act* restored the “pay-check accrual” interpretation to ensure that employees who can prove pay discrimination based on race, color, religion, sex, national origin, age or disability will not be forever barred from seeking redress because they did not learn they were victims of pay discrimination within six months after the discriminatory decision was first made.

A previous attempt to pass this legislation in the 110th Congress was obstructed by Senate Republicans, but in the 111th Congress, with a larger majority, Senate Democrats were able to pass the bill on a vote of 61 to 30. The House of Representatives passed the bill on a vote of 250 to 177 and the measure became law on January 29.

ADDITIONAL RESOURCES: DPC released a legislative bulletin for [S. 181, The Lilly Ledbetter Fair Pay Act of 2009](#).

The Senate passed landmark voting rights legislation for the District of Columbia. Since 1801, the year after DC was established as the seat of the national government, its residents have been seeking representation in the House and Senate. On February 26, 2009 the Senate passed **S. 160**, the *District of Columbia House Voting Rights Act of 2009*, a landmark measure to provide the District of Columbia with one voting seat in the House of Representatives and Utah -- the next state in line to receive an additional representative based on the 2000 census -- a fourth seat in the House, which would

bring membership in the House from 435 to 437. The bipartisan bill was passed by a margin of 61 to 37. The House of Representatives passed a similar measure earlier this year.

As Congress charts a path to enact this legislation, it is important to remember that the bill reflects Democrats' efforts to ensure democracy for all Americans, including those in the nation's capital, who, at present, do not enjoy the most basic right of citizenship: to choose who governs them.

ADDITIONAL RESOURCES: DPC released a Legislative Bulletin on [S. 160, the District of Columbia House Voting Rights Act of 2009](#).

Protecting Our Nation's Environment and Natural Resources

On March 30, 2009, President Obama signed into law the *Omnibus Public Land Management Act of 2009*. The legislation represents the most significant conservation legislation passed by Congress in 15 years. The legislation designated over two million acres of wilderness; adds over 1,000 miles of Wild and Scenic Rivers; 2,800 miles of National Trails; 330,000 acres of National Conservation Areas; codifies the National Landscape Conservation System; and authorizes the Forest Landscape Conservation Service and measures to improve our oceans, coasts, Great Lakes, and water resources. The following describes some of the provisions in the legislation:

- **Wilderness.** The *Omnibus Public Land Management Act of 2009* designated over two million acres of wilderness surpassing the combined wilderness acreage designated by the 108th, 109th, and 110th Congresses (Congressional Research Service). The designation of the two million plus acres of new wilderness areas spans nine states (West Virginia, Virginia, Oregon, Idaho, New Mexico, Colorado, Michigan, Utah, and California). The designation of wilderness allows Congress to protect our nation's most pristine lands and best wildlife habitats for the current and future generations.
- **Wild and Scenic Rivers.** The *Omnibus Public Land Management Act of 2009* added over 1,000 miles to the National Wild and Scenic Rivers System in seven states (Oregon, Idaho, California, Utah, Arizona, Wyoming, and Massachusetts). Wild and Scenic Rivers are designated by Congress to preserve free flowing rivers that possess outstandingly remarkable environmental, scenic, and recreational features.
- **National Trails System.** The *Omnibus Public Land Management Act of 2009* added more than 2,800 miles into the National Trails System through the creation of new national trails in New England, the Mid-Atlantic, the Pacific Northwest and the Southwest. The National Trails System is designed to preserve public access to trails so that they can continue to be valuable resources for our country.
- **National Conservation Areas.** The *Omnibus Public Land Management Act of 2009* created more than 330,000 acres of new National Conservation Areas in Utah, New Mexico and Colorado. National Conservation Areas provide important protections from development while also improving those areas recreational opportunities.

- **National Landscape Conservation System.** The *Omnibus Public Land Management Act of 2009* codified the National Landscape Conservation System currently operating administratively within the Department of Interior. In 2000, the Department of Interior administratively established the National Landscape Conservation System so that public awareness of the various natural areas managed by the Department of Interior might be increased. The codification of the National Landscape Conservation System will help ensure that sustained funding will be available for the Department of Interior to protect its most exceptional areas while also keeping environmental protection a high priority at the Department of Interior for years to come.
- **Oceans.** The *Omnibus Public Land Management Act of 2009* will improve our nation's understanding of the oceans, coasts, and the Great Lakes by authorizing coordinated federal research programs that will:
 - Increase our understanding of ocean acidification, a process by which seawater becomes more acidic as the oceans absorb atmospheric carbon dioxide emissions. The acidity of surface seawater has increased by 30 percent since the beginning of the Industrial Revolution-the most dramatic change in ocean chemistry in at least 650,000 years (Discover Magazine);
 - Expand our understanding of oceans, which cover two-thirds of the earth's surface. Only approximately five percent of the ocean floor has been explored, and the potential for identifying new and beneficial scientific information, new drugs, and resources in the oceans remains significant; and
 - Advance the knowledge of coastal and ocean resources and ecosystems that today lack real-time, standardized, and accessible data on key environmental variables like temperature, salinity, sea level, surface currents, and pH. The lack of this data significantly impairs data on the impacts that climate change could have on coastal and ocean ecosystems.

The *Omnibus Public Land Management Act of 2009* also authorizes funding for coastal and estuarine land protection. The pressures from increasing urbanization and pollution threaten these habitats. Conserving these areas will help meet diverse priorities, such as promoting tourism and recreation and supporting fisheries and wildlife that substantially contribute to coastal economies.

ADDITIONAL RESOURCES: DPC released a Fact Sheet entitled [The Bipartisan Environmental Accomplishments of the Omnibus Public Land Management Act of 2009](#).

Demanding Transparency, Accountability, and Ethics in Washington

The Senate unanimously and quickly approved strengthened supervision of the TARP. On February 4, 2009, the Senate passed the *Special Inspector General for the Troubled Asset Relief Program Act of 2009 (S. 383)* by unanimous consent. This bipartisan legislation

expands the authority of and adds the tools needed by the Special Inspector General overseeing the \$700 billion Troubled Asset Relief Program that was created last fall. The bill would, among other things, add authority for the Inspector General to audit programs, function with the same law enforcement authority granted to the Inspectors General of major federal agencies, and cooperate with other Inspectors General.

The Senate unanimously approved legislation to make the federal grants application process more transparent. On March 17, 2009, the Senate unanimously passed the *Federal Financial Assistance Management Improvement Act of 2009 (S. 303)*, a bill to simplify the federal grants process. According to a Government Accountability Office (GAO) study, each year, federal agencies distribute \$400 billion via 1,000 different federal programs, including programs that received funding in the economic recovery package. Unfortunately, until now, each agency used different application processes and reporting and payment systems. Worse, many agencies failed to provide a complete listing of grants on Grants.gov, the most obvious resource for applicants seeking to learn about federal programs.

S. 303 would reauthorize and update the *Federal Financial Assistance Management Improvement Act of 1999 (FFAMIA)* to streamline the federal grants process by requiring the Director of the Office of Management and Budget to establish and maintain a public website that serves as a central point of information and access for federal grant applicants, including grant: 1) announcements; 2) statements of eligibility; 3) application requirements; 4) purposes; 5) federal agency providers; and 6) deadlines for applying and awarding. The legislation also requires the website to accommodate online applications. The measure requires the OMB director to develop a Strategic Plan to identify those programs suitable for common applications and forms and then devise a plan for agency and program coordination. To ensure implementation across the federal government, the bill also requires each agency, not exempted from FFAMIA, to develop a plan that describes how it will carry out its individual responsibilities under the OMB plan.

Supporting Small Business Innovation (SBIR)

Congress approved a program to give entrepreneurs the resources they need to help boost our economy. On March 17, 2009, the Senate passed a bipartisan bill (**H.R.1541**) to temporarily extend the Small Business Administration's Small Business Innovation Research program.

Although, small firms employ 41 percent of the nation's high-tech workers and generate 13 to 14 times more patents per employee than large firms, they have received a disproportionately low share of federal R&D dollars. The SBIR program was designed in 1982 to harness the innovative capacity of America's small businesses to meet the needs of our federal agencies and to help grow small, high-tech firms that, in turn, grow local economies all across the nation. Since then, the SBIR program has generated more than 84,000 patents and millions of jobs. Eleven federal agencies participate in the SBIR program - including the Department of Defense and National Science Foundation - allocating 2.5 percent of their extramural research and development dollars for the program.

This temporary reauthorization, which extends SBIR and other programs through July 31, 2009, gives Congress more time to pass a comprehensive bipartisan bill that will strengthen and improve the SBIR program and provide long-term stability for the program.

Improving Opportunities for Service

As Americans face the numerous challenges created by the economic crisis, the need for service to our communities is greater than ever. On March 26, 2009, the Senate approved the *Edward M. Kennedy Serve America Act (H.R. 1388)*. This legislation reauthorizes the *National and Community Service Act of 1990* and the *Domestic Volunteer Service Act of 1973*, and authorizes nearly \$6 billion over five years to expand opportunities for Americans to engage in service throughout their lives.

Currently, programs such as Senior Corps, AmeriCorps, and Learn and Serve America, support almost four million Americans in service to more than 70,000 community organizations. These services have had the empowering and inspiring effect of mobilizing an additional 2.2 million volunteers. This army of volunteers has the power to transform and inspire communities across America.

The bill would expand the mission of the Corporation for National and Community Service (the Corporation) and increase the number of national service participants in the AmeriCorps program from 75,000 current members to 250,000 over the next eight years. An analysis of AmeriCorps shows that every \$1 invested produced returns up to nearly \$4 in direct, measurable benefits. By creating the ServeAmerica Corps, the Corporation will be able to target service in four areas in need of increased assistance in low-income communities, including: Clean Energy, Education, Health Futures, and an Opportunity Corps to boost financial literacy.

The *Edward M. Kennedy Serve America Act* renews a spirit of national service and encourages volunteerism in all age groups. An Encore program will also be developed to engage the retiring baby boom generation, which has a multitude of talents to share. A Veterans Service Corps will also be established to support the service of veterans.

Two new programs will be created under the *National and Community Service Act of 1990*, including a Youth Engagement Zone to Strengthen Communities program and a Campus of Service program. The Youth Engagement Zones aim to engage high school students and out-of-school youth in the transformative experience of service through partnerships between community organizations and schools in low-income communities. The Campus of Service program will support and recognize institutions of higher learning with outstanding service-learning programs and provide funding to support students' pursuit of careers in public service.

The *Edward M. Kennedy Serve America Act* would create a Summer of Service program to enlist middle and high school students in volunteer services at home, including a \$500 education award to be directed to the cost of college. The legislation would also increase the education award in AmeriCorps to match the Pell Grant award.

In the coming days, the House is expected to consider and pass **H.R. 1388**.

ADDITIONAL RESOURCES: DPC released a Legislative Bulletin on [S. 277, the Serve America Act](#).

Keeping the Government Running

Congress funded critical federal government programs for Fiscal Year 2009.

On March 11, 2009, the *Omnibus Appropriations Act, 2009 (H.R. 1105)* was presented to President Obama for signature into law (**P.L. 111-8**). House and Senate Democrats were able to complete important work blocked by Republicans last year to provide the resources, guidance, and new initiatives for federal government programs in Fiscal Year 2009, at a time when they are so desperately needed. This appropriations measure contained nine bills that are essential to keeping the federal government working to enhance the health, safety, and economic security of the American people.

The *Omnibus* included critical commitments to:

- Ensure our economic security with investments in:
 - Job-creating highway projects through the *Department of Transportation*;
 - Reemployment and retraining services to millions of unemployed and otherwise vulnerable Americans through the *Department of Labor*;
 - Help for struggling homeowners through the *Federal Housing Administration, Housing and Counseling Assistance program*, and the *Neighborhood Reinvestment Corporation*;
 - Community and economic development grants to help communities weather and recover from the current economic storm through the *Department of Housing and Urban Development*;
 - Increased investments in more energy efficient vehicles and buildings as well as solar, wind, geothermal, and biomass energy sources through the *Department of Energy*; and
 - Vigorous enforcement of securities laws to help bolster the integrity of the financial markets through the *Securities and Exchange Commission*.

- Ensure educational excellence and competition in the global economy with investments in:
 - The Pell Grant program, which helps seven million low- and middle-income families pay for college and vocational training through the *Department of Education*. The *Omnibus* provides \$17.3 billion for the Pell Grant program, an increase of \$3.1 billion above 2008, with a \$5,350 maximum award amount. These funds will assist seven million students with the costs of higher education and will help 1.4 million students attend school with \$1.9 billion in funding for federal supplemental educational opportunity grants, federal work study, Perkins Loans, and the Leveraging Educational Assistance Partnership program;
 - Assistance for Students with Disabilities, providing \$11.5 billion for the *Individuals with Disabilities Education Act (IDEA)*, which helps ensure that all children with disabilities have access to a free, appropriate public education;
 - Grants for disadvantaged students, with \$14.5 billion, a \$594 million increase, for Title I of the *Elementary and Secondary Education Act*, which provides resources to local school districts to help disadvantaged students succeed academically. The *Omnibus* also provides \$546 million, an increase of \$54 million, for school improvement grants to help turn around struggling schools;

- Head Start, a highly-successful federal-to-local grant program established in 1965, which provides early childhood education and services, including health, nutrition, and social and behavioral development for low-income preschool children and their families. The *Omnibus* provides \$7.1 billion for this proven program, an increase of \$235 million over 2008, to ensure that 900,000 low-income children have access to high quality preschool services; and
 - Afterschool programs, providing \$1.1 billion for 21st Century Community Learning Centers to help ensure students have a safe and supervised environment before the school day begins and after it ends. This funding will serve 1.7 million children.
- Ensure our health with investments in:
 - Lifesaving research into diseases such as Alzheimer's, cancer, and diabetes through the *National Institutes of Health (NIH)*. The *Omnibus* provides \$30.3 billion, \$938 million above Fiscal Year 2008, to the 27 Institutes and Centers at the NIH to fund research into diseases such as cancer, Alzheimer's, and diabetes;
 - Health care services to nearly 470,000 uninsured Americans through *Community Health Centers*. The *Omnibus* provides \$2.2 billion for *Community Health Centers*, including migrant health center, and health care centers for the homeless;
 - Health Promotion Programs at the *Centers for Disease Control and Prevention (CDC)*. The *Omnibus* provides \$6.7 billion for public health programs that promote health behaviors, prevent disease, investigate health problems and prepare for emerging health threats;
 - *High Risk Insurance Pools* to provide affordable health coverage through state-sponsored health insurance plans to those denied coverage, usually because of pre-existing medical conditions. The *Omnibus* includes \$75 million to states for these plans, which insure nearly 200,000 individuals;
 - *Outreach to Seniors Eligible for Medicare*, by providing \$45 million, a \$6 million increase above 2008, to help seniors, including the 40 million Americans already enrolled in the program, understand which Medicare benefits are available to them.
 - Small, rural hospitals and health care networks for more than 775,000 rural residents in underserved communities through the *Department of Health and Human Services*. The *Omnibus* provides \$289 million to support more than 1,200 small hospitals in rural, underserved communities;
 - Training for health professionals, through a \$842 million investment in *Health Professions Training* programs. This funding will help train physicians, nurses, and other medical personnel, to help improve access to critical health care services;
 - Cancer screening, with a new \$25 million national program to provide *colorectal cancer screening* and diagnostic follow-up care. The Centers for Disease Control (CDC) estimates that if every American over age 50 were regularly screened, 60 percent of the 55,000 annual deaths from colorectal cancer could be prevented; and
 - Combating autism by providing full funding of the *Combating Autism Act* with \$63.4 million for prevention of autism and support for families affected by autism and related disorders.
 - Ensure our safety with investments in:
 - New reforms in place to make children's products safer through the *Consumer Product Safety Commission*;
 - Food and medical product safety inspections through the *Food and Drug Administration*;

- Aviation safety and air traffic organization through the *Federal Aviation Administration*;
 - Workplace safety standard enhancements and enforcement through the *Occupational Safety and Health Administration*;
 - Quarantine stations at ports of entry around the country through the *Centers for Disease Control and Prevention*;
 - Agents to ferret out drug producers and traffickers through the *Drug Enforcement Agency*; and
 - Intelligence analysts and other professionals fighting crime and terrorism in the United States through the *Federal Bureau of Investigation*.
- Ensure global health and our national security with investments in:
 - Critical diplomatic operations, including funding 500 additional positions to fill vacancies in the Foreign and Civil Service at the *Department of State*;
 - Worldwide embassy security protection to ensure that U.S. personnel are safe and secure;
 - Lifesaving initiatives for international HIV/AIDS prevention, treatment, and care as well as global programs to fight malaria and tuberculosis, and improve maternal and child health;
 - Humanitarian assistance to help displaced people around the world, avert famines, and provide critical assistance during natural disasters; and
 - Peacekeeping activities around the world, including in Sudan, Liberia, the Democratic Republic of the Congo, Kosovo, and Lebanon.

ADDITIONAL RESOURCES: DPC released several documents on the *Omnibus Appropriations Act, 2009*: [H.R. 1105, the Omnibus Appropriations Act of 2009](#); [Democrats Investing in America's Priorities: Renewable Energy, Energy Efficiency, Environmental Protection, Wildlife Conservation, and Green Jobs](#); [Democrats Investing in America's Priorities: Strengthening Our Workforce](#); [Democrats Investing in America's Priorities: Safe and Affordable Housing](#); and [Democrats Investing in America's Priorities: Diplomacy and Foreign Assistance](#).