

ISSUE BRIEF

No. 4896 | AUGUST 22, 2018

Senate FY 2019 “Minibus” Boosts National Defense, Misses the Mark on Labor, Health, and Education Reform

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The Senate is expected to consider the combined appropriation bill for the Departments of Defense and Labor, Health and Human Services, and Education in the next several days. The \$857 billion “minibus” accounts for more than two-thirds of fiscal year (FY) 2019 appropriations.

The bill makes progress by sticking to the 2018 Bipartisan Budget Act’s (BBA’s) increased defense funding cap. The additional money will serve to continue rebuilding the military and addressing the shortcomings caused by defense spending levels that failed to account for the Armed Forces’ mission and objectives over the past seven years.

However, the bill misses opportunities in other areas. It fails to reject the BBA’s non-defense spending increases, continuing to provide funding to wasteful and ineffective programs within the Departments of Labor, Health and Human Services, and Education. Many of these programs are not responsibilities of the federal government and could be more effectively administered by state and local governments or the private sector. The minibus also fails to include important conservative policy riders, missing an opportunity to make progress in important areas. Finally, it does not address ongoing problems caused by Obamacare.

Labor, Health and Human Services, and Education

The minibus provides funding for agencies and programs within the Departments of Labor, Health and Human Services, and Education, as well as related agencies. The bill provides \$179.3 billion for these agencies, which is \$2.1 billion higher than the 2018 enacted level, and \$10 billion above the President’s request.¹ The bill fails to make any program reforms or policy recommendations to address Obamacare. Congress still needs to provide relief to the millions suffering under Obamacare’s reduced choices and higher costs.

Policy Recommendations. Key recommendations for the minibus are:

- **Eliminate the Job Corps.** The minibus would continue funding for the Jobs Corps at the 2018 enacted level of \$1.7 billion.² The National Job Corps Study, a randomized experiment, found that compared to non-participants, Job Corps participants were less likely to earn a high school diploma and no more likely to attend or complete college. Four years after participating in the evaluation, participants earned only \$0.22 more in hourly wages compared to employed control group members.³ A cost-benefit analysis based on the National Job Corps Study found that the benefits of the Job Corps do not outweigh the cost of the program.
- **Eliminate Workforce Innovation and Opportunity Act (WIOA) job-training programs.** The bill includes \$2.8 billion for employment training grants distributed under the WIOA (originally authorized under the Workforce Investment

This paper, in its entirety, can be found at <http://report.heritage.org/ib4896>

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Act).⁴ As documented in a 2016 Mathematica Policy Research study, during the five quarters of the follow-up period, members of the full WIOA group, receiving intensive services, failed to have earnings that were statistically different from those of the core group, which received mostly information and online tools. In the fifth quarter, the earnings of the full WIOA group were indistinguishable on average from the earnings of the core group.⁵ Despite being more likely to enroll in training and receive one-on-one assistance and other employment services, participation in full WIOA had no effect on earnings and only 32 percent of full WIOA participants found jobs in the area of their training.⁶

- **Eliminate competitive and project grant programs and reduce spending on formula grants.** The minibuss provides more than \$31.3 billion in funding for grants under the Elementary and Secondary Education Act (ESEA).⁷ If the federal government is going to continue to spend tax dollars on the quintessentially state and local function of education, federal policymakers should limit and better target education spending by streamlining the labyrinth of federal education programs.

Federal competitive grant programs authorized under the ESEA should be eliminated, as they are ineffective and inappropriate at the federal level, and federal spending should be reduced to reflect remaining formula programs authorized under Title I of the ESEA and the handful of other programs that do not

fall under the competitive/project grant category. Remaining programs managed by the Department of Education, such as large formula grant programs for K–12 education, should be reduced by 10 percent.⁸

To ensure that state and local school leaders focus on meeting the needs of students and parents rather than satisfying federal bureaucrats, program count and associated federal spending should be curtailed.

- **Privatize the Corporation for Public Broadcasting (CPB).** The minibuss provides \$445 million in FY 2020 advance appropriations to the CPB. The President, House, and Republican Study Committee budgets each called for the CPB to be eliminated or funded privately.⁹

The CPB was created in 1967 at a time when U.S. households faced limited broadcasting options. Since then, technology has grown, and media sources for accessing news and broadcasting have greatly increased.

Without federal funding from the CPB, services such as the Public Broadcasting Service (PBS) and National Public Radio (NPR) would operate as any other news or broadcasting source in the private sector. Both organizations could seek to make up the lost funding by increasing revenues from corporate sponsors, foundations, and members. NPR states that it receives only 5 percent of its overall

1. *Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Bill, 2019*, Senate Report No. 115-289, 2018, <https://www.appropriations.senate.gov/imo/media/doc/FY2019%20Labor-HHS%20Appropriations%20Act,%20Report%20115-289.pdf> (accessed August 14, 2018).

2. *Ibid.*

3. David Muhlhausen, “Job Corps: An Unfailing Record of Failure,” Heritage Foundation *WebMemo* No. 2423, May 5, 2009, <https://www.heritage.org/jobs-and-labor/report/job-corps-unfailing-record-failure>.

4. Senate Report No. 115-289.

5. Sheena McConnell et al., “Providing Public Workforce Services to Job Seekers: 15-Month Impact Findings on the WIA Adult and Dislocated Workers Programs,” Mathematica Policy Research, May 2016, <https://www.mathematica-mpr.com/our-publications-and-findings/publications/providing-public-workforce-services-to-job-seekers-15-month-impact-findings-on-the-wia-adult> (accessed August 13, 2018).

6. *Ibid.*

7. Heritage Foundation calculations based on Senate Report No. 115-289.

8. Lindsey M. Burke, “Reducing the Federal Footprint on Education and Empowering State and Local Leaders,” Heritage Foundation *Backgrounder* No. 2565, June 2, 2011, <https://www.heritage.org/education/report/reducing-the-federal-footprint-education-and-empowering-state-and-local-leaders>.

9. The Heritage Foundation, *A Blueprint for Balance: A Federal Budget for 2019* (Washington, DC: The Heritage Foundation, 2018), <https://www.heritage.org/blueprint-balance>.

funding from federal, state, and local governments.¹⁰ NPR and PBS should find new sponsors, create new shows, and find alternative ways to generate viewership without receiving taxpayer funding.

- **Eliminate the Corporation for National and Community Service (CNCS).** This bill provides \$1.1 billion in funding to the CNCS, more than \$1 billion above the President's budget request.

The CNCS is a federal agency that aims to promote public service and support civil society institutions. These programs are funded by federal dollars, in-kind donations, and public-private partnerships. Civil society is critical to a strong and prosperous United States, and it thrives without federal involvement. Americans already give to charity and volunteer their time, generously. In 2016, according to the Charities Aid Foundation *World Giving Index*, 63 percent of Americans donated money to charity, and 44 percent spent time volunteering.¹¹

Charitable giving is an individual choice, and Americans should be free to choose whether they want to give their time and money to charities, which charities they want to support, and how much they want to give. The CNCS takes this choice away from individuals and forces taxpayers to subsidize particular groups and projects chosen by the government.

Policy Riders: Labor, Health and Human Services, and Education

Policy Recommendations. The Senate minibus fails to advance key conservative policy riders, a missed opportunity. Among those the Senate should consider are:

- **Protect freedom of conscience in health care.** The minibus should maintain all existing pro-life

policy riders that prevent federal funding from being entangled with the provision, coverage, or advocacy of abortion. In addition, Congress should codify prohibitions on government agencies and federally funded programs that discriminate against health care providers, organizations, and health insurance plans because they do not perform, pay for, refer, or provide insurance coverage for abortions. Congress should also allow victim-of-conscience violations to be vindicated in court.¹²

- **Redirect funding from Planned Parenthood to health centers that are not entangled with abortion services.** Taxpayer dollars should not be used to fund elective abortion providers, such as the Planned Parenthood Federation of America (PPFA) and its affiliates. The need to end such funding has become even more acute in light of serious and disturbing press coverage of PPFA representatives discussing the sale of body parts of aborted babies. Funding can instead be redirected to centers that provide health care for women without entanglement in on-demand abortion.
- **Prohibit government discrimination in tax policy, grants, contracting, and accreditation.** The Senate minibus should follow the lead of the House version of the Labor, Health and Human Services, and Education appropriations bill and include the Child Welfare Provider Inclusion Act. The act prohibits discrimination against a child-welfare-service provider on the basis of the provider's religious or moral beliefs. Protecting a diversity of providers and their ability to operate according to their values—as well as their ability to work with families who share those values—takes nothing away from anyone and makes it more likely that the greatest possible number of children will be welcomed into a forever home.¹³

10. Public Broadcasting Service and Subsidiaries, "Consolidated Financial Statements and Independent Auditor's Report, Years Ended June 30, 2014 and 2013," October 30, 2014, https://bento.cdn.pbs.org/hostedbento-prod/filer_public/PBS_About/Files%20and%20Thumbnails/Finances/PBS%20Financial%20Report%202014.pdf (accessed August 14, 2018).

11. Charities Aid Foundation, *CAF World Giving Index 2016*, October 2016, p. 11, <https://www.cafonline.org/about-us/publications/2016-publications/caf-world-giving-index-2016> (accessed August 13, 2018).

12. Melanie Israel, "What Congress and the Administration Can Do to Protect Conscience Rights," Heritage Foundation *Issue Brief* No. 4795, December 7, 2017, <https://www.heritage.org/civil-society/report/what-congress-and-the-administration-can-do-protect-conscience-rights>.

13. Rachel del Guidice, "Amendment to Protect Religious Freedom of Adoption Providers Attached to Appropriations Bill in House," *The Daily Signal*, July 11, 2018, <https://www.dailysignal.com/2018/07/11/amendment-to-protect-religious-freedom-of-adoption-providers-attached-to-appropriations-bill-in-house/>.

Defense

The Defense appropriations component of the minibus provides \$607.1 billion for the base budget and \$67.9 billion for Overseas Contingency Operations, for a total of \$675 billion.¹⁴ This represents an increase of \$20.3 billion over last year's enacted level.¹⁵ The appropriation is in line with the total agreed upon in the 2018 BBA.¹⁶ It will serve to continue to rebuild the military and address current shortcomings.¹⁷

The focus on improving military readiness is welcome and necessary. The appropriations language largely achieves those goals. Nonetheless, there are several points that should be highlighted, either for the presence or absence.

Policy Recommendations. Key takeaways from the minibus are:

- **Authorize a new round of Base Realignment and Closures (BRAC).** The minibus actively prohibits a new round of BRAC.¹⁸ This is a wasted opportunity. The Department of Defense has determined that it has excess infrastructure and that the best mechanism to dispose of that excess is through a new round of BRAC.¹⁹ Heritage Foundation experts have made substantive recommendations on how Congress can change the BRAC
- **Reject procurement of a third littoral combat ship (LCS).** The current appropriations language includes the procurement of a third LCS.²¹ As stated in a previous Heritage research report, only two LCSs (in addition to the existing fleet) are necessary to maintain the shipbuilding industrial base.²² The LCSs currently in the fleet have enough capabilities for near-peer adversary engagements, which puts the increased procurement in opposition to the current National Defense Strategy.²³
- **Increase end strength.** The minibus should follow the end-strength request of the President's budget of an additional 24,100 military personnel.²⁴ There have been disagreements between the Senate and the House on the size of the increase during discussions of the National Defense Authorization Act (NDAA), which have mirrored the debates in the appropriation bill. However, there is a consistent agreement that the Armed Forces will require increased personnel in order to meet the missions and demands described by

14. U.S. Senate, "FY2019 Defense Appropriations Bill Gains Senate Committee Approval," Committee on Appropriations, June 28, 2018, <https://www.appropriations.senate.gov/news/fy2019-defense-appropriations-bill-gains-senate-committee-approval> (accessed August 2, 2018).

15. U.S. Senate, "Department of Defense Appropriations, 2018: Omnibus Agreement Summary," Committee on Appropriations, <https://www.appropriations.senate.gov/imo/media/doc/FY18-OMNI-DEFENSE-SUM.pdf> (accessed August 2, 2018).

16. Bipartisan Budget Act of 2018, Public Law 115-123.

17. Dakota L. Wood, ed., *2018 Index of Military Strength* (Washington, DC: The Heritage Foundation, 2018), <https://www.heritage.org/military-strength>.

18. U.S. Department of Defense Appropriations Act, 2019, H. R. 6157, 115th Cong., 2nd Sess., <https://www.gpo.gov/fdsys/pkg/BILLS-115hr6157pcs/pdf/BILLS-115hr6157pcs.pdf> (accessed August 2, 2018).

19. U.S. Department of Defense, "Department of Defense Infrastructure Capacity," October 2017, https://1yxsm73j7aop3quc9y5ifaw3-wpengine.netdna-ssl.com/wp-content/uploads/2017/10/101717_DoD_BRAC_Analysis.pdf (accessed August 2, 2018).

20. Frederico Bartels, "New Department of Defense Infrastructure Study Would Delay BRAC Until 2021," Heritage Foundation *Issue Brief* No. 4856, May 21, 2018, <https://www.heritage.org/defense/report/new-department-defense-infrastructure-study-would-delay-brac-until-2021> (accessed August 2, 2018).

21. U.S. Department of Defense Appropriations Act, 2019, H. R. 6157, 115th Cong., 2nd Sess.

22. Thomas Spoehr, Frederico Bartels, Thomas C. Callender, Dakota L. Wood, John Venable, and Riley Walters, "House and Senate Make Strong Start Toward the 2019 NDAA," Heritage Foundation *Issue Brief* No. 4869, June 25, 2018, <https://www.heritage.org/defense/report/house-and-senate-make-strong-start-toward-the-2019-ndaa>.

23. U.S. Department of Defense, "Summary of the 2018 National Defense Strategy of the United States of America," 2018, <https://www.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf> (accessed August 2, 2018).

24. U.S. Department of Defense, Office of the Under Secretary of Defense (Comptroller), "Defense Budget Overview: United States Department of Defense Fiscal Year 2019 Budget Request," revised February 13, 2018, http://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2019/FY2019_Budget_Request_Overview_Book.pdf (accessed August 2, 2018).

the National Defense Strategy. Congress should allow the Armed Forces to grow by the numbers requested by the President.²⁵

- **Raise the pay for military personnel.** The bill follows the lead of the President and the NDAA and provides a pay raise of 2.6 percent for military personnel.²⁶ It matches the Bureau of Labor Statistics' estimated Employment Cost Index, which will go a long way in helping with retention in the Armed Forces. Retention is especially important since only 29 percent of Americans between 19 and 24 qualify for military service.²⁷
- **Move on from the Joint Surveillance Target Attack Radar System (JSTARS).** The minibus requires certification to Congress that the Air Force is continuing the recapitalization program of the JSTARS platform.²⁸ The Air Force wants to terminate the recapitalization program and move toward retiring the platform, due to its survivability issues in a near-peer adversary scenario.²⁹ The Air Force should be allowed to move on with its plans to invest in the replacement system for the current legacy platform, instead of being forced by Congress to maintain a program that is not a priority.
- **Avoid continuing resolutions for Defense.** The timing of the appropriations bill is a welcome development. The passage of the NDAA for FY 2019 well ahead of the end of the fiscal year is noteworthy.³⁰ The completion of defense appropriations will help the Defense Department move on from mul-

tle years of budgetary uncertainty.³¹ Congress needs to take advantage of the extra time that it has and avoid relying on a continuing resolution to fund Defense in the coming fiscal year.

Conclusion

While the Defense, Labor, Health and Human Services, and Education appropriations bill takes a major step forward by providing a boost to defense spending, it misses the mark in other areas. The bill continues to provide funding to programs that should be cut or eliminated entirely. It also fails on important conservative policy reforms and riders. As the bill moves forward, negotiators should focus on eliminating programs that are not the responsibility of the federal government. They should also seize the opportunity and use the appropriations process as a means to implement important policy changes. The minibus in its current state fails to make enough progress in those areas.

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25. Spoehr, Bartels, Callender, Wood, Venable, and Walters, "House and Senate Make Strong Start Toward the 2019 NDAA."

26. Ibid.

27. Thomas Spoehr and Bridget Handy, "The Looming National Security Crisis: Young Americans Unable to Serve in the Military," Heritage Foundation *Backgrounder* No. 3282, February 13, 2018, <https://www.heritage.org/defense/report/the-looming-national-security-crisis-young-americans-unable-serve-the-military>.

28. U.S. Department of Defense Appropriations Act, 2019, H.R. 6157, 115th Cong., 2nd Sess., <https://www.gpo.gov/fdsys/pkg/BILLS-115hr6157pcs/pdf/BILLS-115hr6157pcs.pdf> (accessed August 2, 2018).

29. Spoehr, Bartels, Callender, Wood, Venable, and Walters, "House and Senate Make Strong Start Toward the 2019 NDAA."

30. Susanna V. Blume and Lauren Fish, "A Brief History of Defense Budget Instability," Center for a New American Security, November 8, 2017, <https://www.cnas.org/publications/reports/a-brief-history-of-defense-budget-instability> (accessed August 2, 2018).

31. Frederico Bartels, "Continuing Resolutions Invariably Harm National Defense," Heritage Foundation *Issue Brief* No. 4819, February 21, 2018, <https://www.heritage.org/defense/report/continuing-resolutions-invariably-harm-national-defense>.