# Labor, Health and Human Services, Education, and Related Agencies

DISCRETIONARY

**$1.7**
SAVINGS IN BILLIONS[1]

# Eliminate the Job Corps

The Job Corps is an ineffective federal job-training program that should be eliminated. The National Job Corps Study, a randomized experiment that assessed the Job Corps' impact on participants compared to similar non-participants, found that for a federal taxpayer investment of $25,000 per Job Corps participant:

- Compared to non-participants, participants were less likely to earn a high school diploma (7.5 percent versus 5.3 percent);
- Compared to non-participants, participants were no more likely to attend or complete college;
- Four years after participating in the evaluation, the average weekly earnings of participants were only $22 higher than the average weekly earnings of the control group; and
- Employed Job Corps participants earned only $0.22 more in hourly wages than employed members of the control group earned.

If the Job Corps truly improved the skills of its participants, it should have raised their hourly wages substantially. A $0.22 increase in hourly wages suggests that it actually does little to boost the job skills of participants. A cost-benefit analysis based on the National Job Corps Study found that the benefits of the Job Corps do not outweigh its costs.[2]

## ADDITIONAL READING

- David B. Muhlhausen, "Do Federal Social Programs Work?" Heritage Foundation *Backgrounder* No. 2884, March 19, 2014.
- David B. Muhlhausen, "Job Corps: An Unfailing Record of Failure," Heritage Foundation *WebMemo* No. 2423, May 5, 2009.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Cuts funding and closes underperforming centers, along with focusing on older youth, but does not eliminate the program. |

DISCRETIONARY

**$3.2**
SAVINGS IN BILLIONS[3]

# Eliminate Workforce Innovation and Opportunity Act Job-Training Programs

Workforce Innovation and Opportunity Act Job-Training Programs are ineffective and should be eliminated. WIOA is very similar to its antecedent program, the Workforce Investment Act of 1998 (WIA). As documented in a 2016 Mathematica Policy Research study, the most important test of the WIA's effectiveness is the comparison of "full WIA" services—intensive services (skills assessments, workshops, and job-search assistance) plus job training—to core services, which offered mostly information and online tools for participants to plot their careers and find employment. During the five quarters of the follow-up period, the earnings of members of the full-WIA group were not statistically different from those of the core group. In the fifth quarter, the earnings of the full-WIA group were indistinguishable on average from those of the core group. Even though members of the full-WIA group were more likely to enroll in training and receive one-on-one assistance and other employment services, participation had no effect on earnings.

Full-WIA participants did not believe that the services provided to them resulted in finding jobs. A solid majority of 57 percent of full-WIA participants believed that the services provided to them were unrelated to finding employment. Perhaps more important, full-WIA participants were largely unable to find employment in occupations related to their training. Only 32 percent of full-WIA participants found occupations in the areas of their training.

Given the vast similarities between WIOA and WIA, Mathematica's findings are equally applicable in assessing the WIOA program.

## ADDITIONAL READING

- David B. Muhlhausen, "Do Federal Social Programs Work?" Heritage Foundation *Backgrounder* No. 2884, March 19, 2014.
- Sheena McConnell, Kenneth Fortson, Dana Rotz, Peter Schochet, Paul Burkander, Linda Rosenberg, Annalisa Mastri, and Ronald D'Amico, *Providing Public Workforce Services to Job Seekers: 15-Month Impact Findings on the WIA Adult and Dislocated Worker Programs*, Mathematica Policy Research, May 2016.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Cuts funding for three programs funded by WIOA: the Indian and Native American Program, Migrant and Seasonal Farmworker Training, and the Senior Community Service Employment Program. |

DISCRETIONARY

**$741**
SAVINGS IN MILLIONS[4]

# Let Trade Adjustment Assistance Expire

TAA provides overly generous government benefits to American workers who lose their jobs when companies find overseas production less costly. The program encourages recipients to participate in job training that fails to improve participants' earning potential. The program is ineffective and should be eliminated.

A 2012 Mathematica Policy Research study statistically matched TAA participants with a comparison group of workers in the manufacturing sector and from the same local areas. Over the four years examined by the study, TAA participants earned a total of $35,133 less than their counterparts. Additionally, only 37 percent of TAA participants who received job training found employment in the areas of their training. A cost-benefit analysis found that the TAA's benefit to society was a negative $53,802 per participant.

## ADDITIONAL READING

- David B. Muhlhausen, James Sherk, and John Gray, "Trade Adjustment Assistance Enhancement Act: Budget Gimmicks and Expanding an Ineffective and Wasteful 'Job-Training' Program," Heritage Foundation *Issue Brief* No. 4396, April 28, 2015.
- Peter Z. Schochet, Ronald D'Amico, Jillian Berk, Sarah Dolfin, and Nathan Wozny, Estimated Impacts for Participants in the Trade Adjustment Assistance (TAA) Program Under the 2002 Amendments, Social Policy Research Associates and Mathematica Policy Research, August 2012.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Reforms the TAA but does not eliminate it. |

DISCRETIONARY

**$10.5**
SAVINGS IN MILLIONS[5]

## Eliminate Susan Harwood Training Grants

Since 1978, the Occupational Safety and Health Administration has provided Harwood grants to nonprofit organizations to provide safety training to workers. These training grants are ineffective and should be eliminated.

Despite existing for decades, there is no credible evidence that these training grants are effective. Moreover, the Department of Labor is measuring the wrong things to assess program impact. A case in point is the FY 2015 Department of Labor performance report that relies solely on the number of people trained to assess the grant program's performance.[6] The number of people trained provides no information by which to determine whether trainees learned anything new to make workplaces safer.

Measuring the number of people trained does not measure program "impact." Instead, it measures an output. Program impact is assessed by comparing outcomes for program participants with estimates of what the outcomes would have been had they not participated in the program.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$123.4**
SAVINGS IN MILLIONS[7]

# Bring National Labor Relations Board Funding in Line with Caseloads

Under the National Labor Relations Act, the NLRB regulates private-sector union elections and collective bargaining, except for unions in the railway and airline industries regulated by other law. The NLRB conducts union certification and decertification elections, investigates unfair labor practices, and adjudicates cases with administrative law judges.

Private-sector union membership and organizing has dropped considerably over the past 25 years. Consequently, the NLRB caseload has fallen considerably as well. The NLRB received 65 percent fewer election petitions and 40 percent fewer unfair labor practice charges in FY 2014 than in FY 1990; despite this reduced workload, however, the NLRB's inflation-adjusted budget has increased by one-sixth since 1990. Reducing the NLRB's budget by 45 percent in FY 2020 would bring its spending in line with the previous funding levels for its caseload and save taxpayers $123 million in FY 2020.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | REJECTED | |

DISCRETIONARY

**$103.5**
SAVINGS IN MILLIONS[8]

## Eliminate the Office of Federal Contract Compliance Programs

The mission of the Office of Federal Contract Compliance Programs is to enforce equal employment opportunity laws as applied to federal contractors. By contrast, the Equal Employment Opportunity Commission enforces equal employment opportunity laws as applied to all public and private employers. A separate agency for federal contractors is redundant.

In 1965, President Lyndon Johnson signed Executive Order No. 11246, which prohibited federal contractors from discrimination based on race, color, religion, sex, or national origin. The OFCCP enforces these provisions. It also enforces the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and Section 503 of the Rehabilitation Act of 1973, which, respectively, prevent discrimination against veterans and those with disabilities. The EEOC enforces civil rights laws against workplace discrimination by all employers, which includes discrimination based on age, disability, discrepancy in pay, genetic information, national origin, pregnancy, children, race or color, religion, or sex. The Veterans' Employment and Training Service enforces equal employment opportunity laws that prevent discrimination against veterans. Such redundancy renders the OFCCP unnecessary.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | REJECTED | |

DISCRETIONARY

**$13.8**
SAVINGS IN MILLIONS[9]

# Eliminate the Department of Labor's Women's Bureau

The Women's Bureau examines challenges facing women in the workforce. It was created in 1920 when few women worked outside the home. Today, women make up half of the workforce and hold more than half of the nation's management, professional, and related occupations. The future of the workforce looks just as bright for women, given that they earned more than half of the bachelor's degrees (57.2 percent); master's degrees (59.2 percent); and doctoral degrees (52.7 percent) in 2016.

Both Title VII of the 1964 Civil Rights Act and the Equal Pay Act of 1963 prohibit sex-based discrimination in the workplace. The Equal Employment Opportunity Commission enforces those civil rights laws to ensure that women enjoy equal opportunity in the workplace. The challenges facing female employees are the challenges facing workers as a whole. The Women's Bureau has served the purpose for which it was created in 1920 and has now become obsolete.

## ADDITIONAL READING

- Rachel Greszler, "'Pay Gap' Myth Ignores Women's Intentional Job Choices," Heritage Foundation *Commentary*, April 9, 2018.
- Rachel Greszler and James Sherk, "Equal Pay for Equal Work: Examining the Gender Gap," Heritage Foundation *Issue Brief* No. 4227, May 22, 2014.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Cuts spending for the bureau but does not eliminate it. |

DISCRETIONARY

**$59.8**
SAVINGS IN MILLIONS[10]

## Eliminate the Bureau of International Labor Affairs

The International Labor Affairs Bureau (ILAB) was established by President Harry Truman at the behest of U.S. trade unions. Its stated mission "is to promote a fair global playing field for workers in the United States and around the world by enforcing trade commitments, strengthening labor standards, and combating international child labor, forced labor, and human trafficking."[11] ILAB monitors the implementation of labor provisions of free trade agreements and provides grants to unions and aid organizations to promote the welfare of foreign workers. These grants are of doubtful effectiveness and are a poor use of U.S. taxpayer dollars in times of tight budgets.

Labor policies should have a minimal role in trade agreements, seeking only to protect such basic rights as freedom from forced labor and freedom of association. Trade agreements should not be used to pursue liberal policy agendas that impose unnecessary regulations on the labor market. The bureau that oversees the enforcement of labor in trade agreements should therefore be eliminated.

| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Cuts spending for the bureau but does not eliminate it. |

DISCRETIONARY

**$268**
SAVINGS IN MILLIONS[12]

# Federal Personnel Reform: Eliminate "Rest of U.S." Locality Pay

The Federal Employees Pay Comparability Act of 1990 created a new system that allowed for pay adjustments for federal employees who lived in high-cost areas. There are currently 53 General Schedule Locality Areas. Federal employees earn more than the base pay rate by having their salary increased according to the locality adjustment-increase percentage, which in 2019 is a maximum increase of 39.28 percent for federal workers in the San Francisco, California, locality.[13] For example, the base pay salary for a federal employee at GS grade 8, step 4 in 2018 was $43,679. If that employee were to live in Chicago, Illinois, the adjusted salary for that locality would be $55,678.

While most locality areas are centered on metropolitan areas, such as New York or Washington, D.C., an additional locality called "Rest of U.S." (RUS) exists to cover all federal employees that do not fall into one of the other 52 localities. By definition, areas that are in the RUS locality should not be more expensive to live in than the national average, yet the RUS receives a 15.37 percent increase above the base GS schedule, which means that instead of receiving base pay, RUS employees receive at least 15 percent more than the base GS schedule. In some places, RUS federal employees receive more than 30 percent higher pay than the local average.

## ADDITIONAL READING

- Rachel Greszler and James Sherk, "Why It Is Time to Reform Compensation for Federal Employees," Heritage Foundation *Backgrounder* No. 3139, July 27, 2016.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | NOT ADDRESSED | |

DISCRETIONARY

**$376**
SAVINGS IN MILLIONS[14]

# Federal Personnel Reform: Tie Pay Increases to Truly Market-Based and Performance-Based Measures

The federal government's pay structure, which relies on a prescribed formula instead of performance, results in an inflated pay system that encourages mediocrity and fails to reward excellence. Heritage Foundation experts have estimated that the wages received by federal employees are 22 percent higher than those of similar workers in the private sector.[15]

Federal employees' higher pay comes in large part from receiving two essentially automatic pay increases: annual cost-of-living-adjustments and so-called performance-based step increases whereby 99.9 percent of federal employees receive raises. Congress should reduce the pay differential between steps 1 and 10 of the GS scale from 30 percent to 20 percent and tie step increases to true performance-based measures instead of tenure alone. Part of the savings should go toward higher performance-based budgets to help attract and retain talented employees. Combined, these changes should lead to a 5 percent reduction in federal pay levels.

## ADDITIONAL READING

- Rachel Greszler and James Sherk, "Why It Is Time to Reform Compensation for Federal Employees," Heritage Foundation *Backgrounder* No. 3139, July 27, 2016.
- Kay Coles James, "A Fresh Start for Federal Pay: The Case for Modernization," U.S. Office of Personnel Management *White Paper*, April 2002.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Eliminates across-the-board pay raises in favor of performance-based pay increases. |

MIXED

**$46.7**
SAVINGS IN BILLIONS[16]

## Federal Personnel Reform: Bring Retirement Benefits in Line with the Private Sector

The overall compensation received by federal employees is significantly higher than that of their private-sector counterparts. The biggest source of this compensation premium, which Heritage Foundation experts estimate is between 30 percent and 40 percent of total compensation, is excessive retirement benefits. Federal employees receive up to 18.2 percent of their pay in retirement benefits: between 11.1 percent and 13.2 percent in a defined-benefit pension and up to 5 percent in a 401(k). Among private-sector employees who receive retirement contributions from their employers, the average contribution is between 3 percent and 5 percent.

Congress should bring federal benefits in line with the private sector by shifting all new hires and those with fewer than five years of service to an exclusively thrift savings retirement plan with higher employer contributions. Employees with between five and 20 years of service should have the option to switch to an exclusively thrift savings plan retirement system, freeze their already-accrued Federal Employees Retirement System benefits and receive higher TSP contributions, or maintain their current retirement benefits with FERS plan reforms such as higher employee contributions. This would save taxpayers $206 billion over the next 10 years, make the government more competitive by reducing the share of compensation tied up in retirement benefits, and give workers both more control of their retirement and potentially larger paychecks.

### ADDITIONAL READING

- Rachel Greszler and James Sherk, "Why It Is Time to Reform Compensation for Federal Employees," Heritage Foundation *Backgrounder* No. 3139, July 27, 2016.
- Congressional Budget Office, *Comparing the Compensation of Federal and Private-Sector Employees, 2011 to 2015*, April 2017.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Includes several changes to reduce the generosity of federal employee retirement benefits, primarily by reducing cost-of-living adjustments and increasing employee contributions to the retirement plan. |

MANDATORY

**$113**
SAVINGS IN MILLIONS[17]

# Federal Personnel Reform: Eliminate the Special Retirement Supplement

Federal employees who have worked for at least 20 years and who retire at relatively young ages (between ages 57 and 62) receive a "special retirement supplement" that is meant to give them a rough equivalent of Social Security benefits at a time when they are not yet eligible to receive Social Security.[18] This extra benefit in addition to the FERS, TSP, and regular Social Security benefits that federal retirees receive is both unnecessary and excessive. The special retirement supplement can result in federal employees receiving retirement benefits for more years than they spent working.

This benefit is not something to which either the federal government or its employees contribute; instead, the funds come from taxpayers. Eliminating the special retirement supplement would save an estimated $113 million in FY 2020 and $5.3 billion over 10 years.

## ADDITIONAL READING

- Congressional Budget Office, *Options for Reducing the Deficit: 2017 to 2026*, December 2016.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$5.7**
SAVINGS IN BILLIONS[19]

## Federal Personnel Reform: Bring Paid Leave in Line with the Private Sector

Federal employees receive significantly more days of paid leave than similar private-sector employees receive. A federal employee with five years of experience receives 20 vacation days and 13 paid sick days for a total of 33 days (not including 10 paid holidays). The average private-sector employee at a larger company receives 13 days of vacation and eight paid sick days for a total of 21 days of paid leave (excluding holidays).

Congress should bring the amount of paid leave provided to federal employees in line with private-sector paid leave by reducing vacation leave by between three and six days and sick leave by three days so that federal employees receive between 20 and 30 days of paid leave. Alternatively, Congress should consider shifting to a Paid Time Off system that provides between 16 and 27 days of PTO. PTO policies, which do not differentiate between sick and vacation days, have become increasingly common in the private sector and are preferred by many employees.

### ADDITIONAL READING

- Rachel Greszler and James Sherk, "Why It Is Time to Reform Compensation for Federal Employees," Heritage Foundation *Backgrounder* No. 3139, July 27, 2016.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$569**
SAVINGS IN MILLIONS[20]

# Federal Personnel Reform: Eliminate FEHB Retirement Benefits for New Hires

Federal employees receive significantly higher total compensation than their private-sector counterparts receive, including the often overlooked and undervalued advantage of participating in the Federal Employees Health Benefits Program after retirement while paying only a small portion of the total premium. Data published by the Congressional Budget Office in 2002 indicate that the accrual cost of retiree health coverage equaled 6.34 percent of pay.[21] Heritage Foundation experts estimated that eliminating this benefit for new hires would generate $32.5 billion in accrued taxpayer savings over the 2020–2029 period. Private-sector companies almost never provide the same level of highly subsidized health benefits in retirement.

Future health care benefits are of little value to newly hired federal employees because they typically are not received until decades later. Additionally, instead of rewarding tenure, benefits reward workers who are employed by the government in the final five years before they retire. If workers leave federal employment before they reach retirement eligibility age, or if they have less than five consecutive years of employment leading up to retirement, they do not receive the benefits.

Congress should eliminate FEHB retirement benefits for new hires. This would generate significant future cost savings with little impact on the federal government's ability to attract talented workers.

## ADDITIONAL READING

- Rachel Greszler and James Sherk, "Why It Is Time to Reform Compensation for Federal Employees," Heritage Foundation *Backgrounder* No. 3139, July 27, 2016.
- Congressional Budget Office, "The President's Proposal to Accrue Retirement Costs for Federal Employees," CBO Paper, June 2002.



| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | NOT ADDRESSED | |

DISCRETIONARY

**$0**
(NO SAVINGS)[22]

# Federal Personnel Reform: Eliminate the 25 Percent FEHB Premium Requirement

The premium structure for the Federal Employees Health Benefits system drives up total FEHB costs by discouraging federal workers from choosing lower-cost plans. Currently, the government contributes up to 72 percent of the weighted average premiums of all health insurance plans in the FEHB, but employees must pay at least 25 percent, regardless of the cost of the plan they choose. This reduces federal employees' incentives to choose less expensive health care plans—even if those plans are advantageous to them—because 75 percent of the savings goes to the federal government and only 25 percent accrues to them.

Congress should convert the current maximum contribution level to a flat-rate contribution so that workers who choose lower-cost plans can keep all of the savings. This would increase competition among FEHB plans and over time would reduce the average cost to taxpayers of FEHB coverage.

## ADDITIONAL READING

- Rachel Greszler and James Sherk, "Why It Is Time to Reform Compensation for Federal Employees," Heritage Foundation *Backgrounder* No. 3139, July 27, 2016.
- Congressional Budget Office, Options for *Reducing the Deficit: 2019 to 2028*, December 2018.



| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$0**
(NO SAVINGS)[23]

## Safeguard Private Pension Insurance and Protect Taxpayers from Private Pension Bailouts

The Pension Benefit Guarantee Corporation's multiemployer program faces a shortfall of between $54 billion and $101 billion because a significant portion of the roughly 1,400 multiemployer (private, union-run) pension plans that operate across the U.S. are massively underfunded and have promised $638 billion more than they have set aside to pay. The PBGC provides insurance against private pension losses, but its multiemployer program is on track to run out of money by 2025. If that happens, pensioners will experience significant pension losses, and Congress could pass legislation requiring taxpayers to bail out the PBGC or even to bail out private pension plans directly. A private union pension bailout could cost hundreds of billions of dollars.

Congress should increase multiemployer PBGC premiums and add a variable-rate premium for newly incurred pension liabilities. Congress should also end its preferential treatment of multiemployer pension plans and instead subject multiemployer plans to the same rules that govern other private pension plans. Additionally, policymakers should consider implementing rules both to minimize pension losses within plans and to safeguard pensioners against inviable promises and irresponsible plan management. These changes would help to guard against pension losses for workers and retirees who belong to multiemployer pension plans and protect taxpayers from the risk of a taxpayer bailout of the PBGC or multiemployer pension plans.

### ADDITIONAL READING

- Rachel Greszler, "Congress's Multiemployer Pension Committee Should Act Now: 12 Reforms to Protect Pensioners and Taxpayers," Heritage Foundation *Backgrounder* No. 3368, November 20, 2018.
- Rachel Greszler, "Why Government Loans to Private Union Pensions Would Be Bailouts—and Could Cost Taxpayers More than Cash Bailouts," Heritage Foundation *Backgrounder* No. 3283, February 5, 2018.
- Rachel Greszler, "Bankrupt Pensions and Insolvent Pension Insurance: The Case of Multiemployer Pensions and the PBGC's Multiemployer Program," Heritage Foundation *Backgrounder* No. 3029, July 30, 2015.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Improves funding of the Pension Benefit Guaranty Corporation's multiemployer program by requiring higher premiums for underfunded plans. |

MANDATORY

**$2.9**
SAVINGS IN BILLIONS[24]

## Adopt a More Accurate Inflation Index for Social Security and Other Mandatory Programs

Federal benefits like Social Security grow with the cost of living to protect the value of benefits from inflation. Several other parameters of federal benefit programs are also adjusted for inflation. Currently, Social Security and several other federal programs are indexed to the consumer price index to adjust for inflation. The current CPI is outdated and inaccurate, and it often overstates the rise in the cost of living. Under a new measure, benefit increases would reflect changes in the cost of living more accurately.

The chained CPI would correct for the small sample bias and substitution bias problems that are known to affect the CPI. Adopting the chained CPI for federal benefit calculations would protect benefits from inflation while improving accuracy in cost-of-living adjustments and saving taxpayers money. This proposal saves $2.9 billion in 2020, with savings growing rapidly over time to $44 billion in FY 2029.

### ADDITIONAL READING

- Romina Boccia and Rachel Greszler, "Social Security Benefits and the Impact of the Chained CPI," Heritage Foundation *Backgrounder* No. 2799, May 21, 2013.
- Congressional Budget Office, *Options for Reducing the Deficit: 2017 to 2026*, December 2016.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | NOT ADDRESSED | |

MANDATORY

**$742**
SAVINGS IN MILLIONS[25]

# Improve Unemployment Insurance Program Integrity

The Unemployment Insurance (UI) program is a federal–state partnership that is intended to replace a portion of the lost earnings of unemployed persons. The Department of Labor estimates that $3.7 billion in overpayments was made in 2017, including $1 billion that is attributed to fraud.[26] Curtailing the amount that is wasted by fraud and overpayment could mean a reduction in state unemployment taxes.

In order to achieve this reduction, existing programs need to be improved. For instance, the Separation Information Data Exchange System (SIDES), which allows states to exchange information on the reasons for a claimant's separation from employment, should be expanded. Additionally, the Secretary of Labor should be empowered to develop sanctions and incentives that will encourage state performance.

## ADDITIONAL READING

- Salim Furth, "Cutting Unemployment Insurance Probably Does Create Jobs, But We Don't Know How Many Yet," National Review, The Corner, January 29, 2015.

| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | INCLUDED | |

MANDATORY

**$531**
SAVINGS IN MILLIONS[27]

# Allow the SSA to Use Commercial Databases to Verify Real Property in the SSI Program

Allowing the Social Security Administration to use commercial databases to verify real property (land and buildings) in the Supplemental Security Income program would reduce improper payments. Real property can be a countable resource for determining SSI eligibility, and authorizing the SSA to use private commercial databases to determine ownership of real property would both lessen recipients' reporting burden and allow the SSA to determine an individual's eligibility for benefits automatically.

Enacting this proposal would still preserve all due process and appeal rights while reducing improper SSA payments.

## ADDITIONAL READING

- Romina Boccia, "Here are 5 New Signs Social Security Is Going Insolvent," Heritage Foundation *Commentary*, June 6, 2018.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

MANDATORY

**$2.5**
SAVINGS IN BILLIONS[28]

# Increase the OASDI Overpayment Collection Threshold

When individuals improperly receive more than they were supposed to receive from Social Security, the program recoups those overpayments by withholding a small portion ($10) from the recipient's future monthly benefit checks. However, because the withholding is so low, many overpayments are never fully recouped. The current $10 amount was established in 1960, at which point $10 equaled 12 percent of the average retiree's benefit; today, $10 is less than 1 percent of the average retiree's benefit.

The minimum monthly withholding of $10 should be updated to 10 percent of benefits to reflect rising benefit levels as well as the need to restore the program's financial shortfalls. This change would also bring OASDI policy in line with the SSI program, which uses a 10 percent recovery rule.

## ADDITIONAL READING

- Romina Boccia, "Report: Nearly Half of Social Security Disability Beneficiaries Were Overpaid by Government," The Daily Signal, June 22, 2015.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

MANDATORY

**$20.3**
SAVINGS IN BILLIONS[29]

# Reduce Fraud and Marriage Penalties in the Earned Income Tax Credit and Additional Child Tax Credit

The EITC and ACTC provide refundable tax credits to low-income households. They are designed to promote work but are plagued with fraud. Other problems with the EITC and ACTC include benefits intended for parents going to non-parents, some EITC and ACTC recipients receiving excessive multi-tier means-tested welfare benefits that are not available to other similar low-income recipients, and discrimination against married couples.

These problems can be addressed by requiring the IRS to verify income tax returns before issuing refundable tax credits, allowing only parents with legal custody of a child to claim benefits, not allowing families who receive subsidized housing assistance to receive EITC and ACTC benefits as well, and ending marriage penalties. In addition, the EITC could be expanded for married couples to help decrease marriage penalties that exist across the rest of the government means-tested welfare system.

## ADDITIONAL READING

- Robert Rector and Jamie Bryan Hall, "Reforming the Earned Income Tax Credit and Additional Child Tax Credit to End Waste, Fraud, and Abuse and Strengthen Marriage," Heritage Foundation *Backgrounder* No. 3162, November 16, 2016.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Requires valid-for-work Social Security number to claim the EITC or child tax credit. Requirement "extends to all filers and all qualifying children or dependents claimed on the tax return." |

DISCRETIONARY

**$2.4**
SAVINGS IN BILLIONS[30]

# Return Control of and Fiscal Responsibility for Low-Income Housing to the States

The federal government currently pays over 90 percent of the cost of subsidized housing for poor and low-income persons. In FY 2017, the cost was more than $40 billion. Housing needs, availability, and costs vary significantly across states and localities, as does the level of needed and available assistance. Instead of merely perpetuating federally funded programs that often provide substantial benefits for some while leaving others in similar circumstances with nothing, the federal government should begin to transfer responsibility for the administration and costs of low-income housing programs to the states, which are better equipped to assess and meet the needs of their unique populations. The fiscal responsibility of paying for their housing programs would give them the incentive to run these programs much more efficiently and effectively.

Federal funding for means-tested housing programs should be phased out at a rate of 10 percent per year, reaching zero funding at the end of a decade. Each state should be allowed to determine how and to what extent it replaces federal housing programs with alternative programs designed and funded by state and local authorities.

## ADDITIONAL READING

- Robert Rector and Rachel Sheffield, "Setting Priorities for Welfare Reform," Heritage Foundation *Issue Brief* No. 4520, February 24, 2016.
- Rachel Sheffield, "Welfare Reform and Upward Mobility Act Can Restart Welfare Reform," Heritage Foundation *Issue Brief* No. 4619, October 28, 2016.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Reduces funding for rental assistance programs and "recognizes the need for greater contributions from State and local governments." |

MANDATORY

**$11.0**
SAVINGS IN BILLIONS[31]

# Eliminate Supplemental Security Income Benefits for Children

The original intent of Supplemental Security Income was to provide cash assistance to adults who are unable to support themselves because of a disability and to the low-income elderly, but SSI also provides cash assistance to households with children who are functionally disabled and who come from low-income homes. Today, about 15 percent of SSI recipients are children. SSI should be reformed to serve its originally intended population by ending benefits for children.

Low-income parents with a disabled child are eligible for cash assistance from the Temporary Assistance for Needy Families program, as well as for benefits from various other means-tested welfare programs such as Medicaid and food stamps. Parents of children who are no longer receiving SSI cash benefits would continue to be eligible for these other means-tested welfare programs. Any medical expenses arising from a child's disability that are not covered by another program, such as Medicaid, should be provided by SSI.

## ADDITIONAL READING

- Robert Rector and Romina Boccia, "How the ABLE Act Would Expand the Welfare State," Heritage Foundation *Backgrounder* No. 2972, November 10, 2014.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | NOT ADDRESSED | |

MANDATORY

**$0**

(NO SAVINGS)[32]

## Strengthen Work Requirements in the Temporary Assistance for Needy Families Program

Today, the majority of work-eligible TANF recipients are idle, neither working nor preparing for work. This is partly because states are taking advantage of loopholes that allow them to fulfill the work requirement without actually having to move recipients into work activity, but the main reason is that the work-participation rate is too low. Only 50 percent of able-bodied adults are required to participate in work activities, which means that the other 50 percent of the caseload can be completely idle and the state is still fulfilling the requirement. Moreover, among the half of TANF recipients that fulfill the work requirements, most are simply part-time workers.

State welfare bureaucracies have generally done little if anything to promote this employment, but they still take the credit. TANF's work requirement should be strengthened so that 75 percent of a state's non-employed TANF caseload is participating in work activities for 20 hours to 30 hours per week.

### ADDITIONAL READING

- Robert Rector and Rachel Sheffield, "Setting Priorities for Welfare Reform," Heritage Foundation *Issue Brief* No. 4520, February 24, 2016.
- Rachel Sheffield, "Welfare Reform and Upward Mobility Act Can Restart Welfare Reform," Heritage Foundation *Issue Brief* No. 4619, October 28, 2016.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | Requires that able-bodied, working-age TANF recipients participate in work or work activities in order to receive benefits. |

MANDATORY

**$1.8**
SAVINGS IN BILLIONS[33]

# Eliminate Funding for the Social Services Block Grant

The Social Services Block Grant is one of several welfare block grants created in the 1980s. Despite more than $180 billion in inflation-adjusted spending, the SSBG has never served as a vehicle of reform. The services offered through SSBG are ineffective because they are duplicative, poorly targeted, and not funded on the basis of measured performance outcomes.

States and localities are better positioned to address the needs of their target populations that are not already addressed by other federal means-tested programs. Policymakers should end the SSBG, devolve responsibility for its goals back to the states, and restore real federalism to the welfare system.

## ADDITIONAL READING

- Robert Rector and Vijay Menon, "Understanding the Hidden $1.1 Trillion Welfare System and How to Reform It," Heritage Foundation *Backgrounder* No. 3294, April 5, 2018.
- Robert Rector and Rachel Sheffield, "Setting Priorities for Welfare Reform," Heritage Foundation *Issue Brief* No. 4520, February 24, 2016.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$725**
SAVINGS IN MILLIONS[34]

# Eliminate Funding for the Community Services Block Grant

The Community Services Block Grant is one of several welfare block grants created in the 1980s. Despite more than $25 billion in inflation-adjusted spending, the CSBG has never served as a vehicle of reform. CSBG funds are poorly targeted and not directly linked to measured performance outcomes. States and localities are better positioned to address the needs of their target populations that are not already addressed by other federal means-tested programs. Policymakers should end the CSBG, devolve responsibility for its goals back to the states, and restore real federalism to the welfare system.

## ADDITIONAL READING

- Robert Rector and Vijay Menon, "Understanding the Hidden $1.1 Trillion Welfare System and How to Reform It," Heritage Foundation *Backgrounder* No. 3294, April 5, 2018.
- Robert Rector and Rachel Sheffield, "Setting Priorities for Welfare Reform," Heritage Foundation *Issue Brief* No. 4520, February 24, 2016.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$3.7**
SAVINGS IN BILLIONS[35]

# Eliminate Funding for the Low Income Home Energy Assistance Program

The Low Income Home Energy Assistance program is one of several welfare block grants created in the 1980s. Despite over $120 billion in inflation-adjusted spending, LIHEAP has never served as a vehicle of reform.

States and localities are better positioned to address the needs of their target populations that are not already addressed by other federal means-tested programs. In fact, state policy changes in recent decades have rendered LIHEAP unnecessary. Additionally, endemic fraud and abuse undermine the program's integrity. Policymakers should end LIHEAP, devolve responsibility for its goals back to the states, and restore real federalism to the welfare system.

## ADDITIONAL READING

- Robert Rector and Vijay Menon, "Understanding the Hidden $1.1 Trillion Welfare System and How to Reform It," Heritage Foundation *Backgrounder* No. 3294, April 5, 2018.
- Robert Rector and Rachel Sheffield, "Setting Priorities for Welfare Reform," Heritage Foundation *Issue Brief* No. 4520, February 24, 2016.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$3.3**
SAVINGS IN BILLIONS[36]

# Eliminate the Community Development Block Grant

In the 1980s, President Ronald Reagan created the Community Development Block Grant along with several other welfare block grants. Operated by HUD, the CDBG was intended to provide housing assistance for low-income families, but its funds have often been funneled to high-income communities and to wasteful pork-barrel projects.

Despite nearly $200 billion in inflation-adjusted spending, there is little measurable evidence that this program works as intended. Policymakers should therefore end federal funding for the CDBG.

## ADDITIONAL READING

- Robert Rector and Vijay Menon, "Understanding the Hidden $1.1 Trillion Welfare System and How to Reform It," Heritage Foundation *Backgrounder* No. 3294, April 5, 2018.
- Patrick Louis Knudsen, "Tight Budget? Congress Can Save $42 Billion by Eliminating Bad Government Programs," Heritage Foundation *Backgrounder* No. 2837, August 29, 2013.
- Kathryn Nix and Emily Goff, "Community Development Block Grants: Waste the Continuing Resolution Should Cut," The Daily Signal, February 16, 2011.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

MANDATORY

**$440**
SAVINGS IN MILLIONS[37]

# Require Counting of Income from Ineligible Noncitizens When Calculating Food Stamp Benefits

Food stamp benefits are based on a household's "countable" income. The lower a household's countable income is, the higher its benefits will be. Although U.S. Department of Agriculture guidance says that "all of the ineligible non-citizens' resources are countable for SNAP purposes,"[38] not all states actually count these resources.

There is no reason why the income of a household member should not be counted when it comes to determining food stamp eligibility for the household, even if that member is ineligible for food stamps himself. Although food stamps are ostensibly limited to eligible recipients, they are used to purchase food for the entire household. Therefore, policymakers should require that the income of ineligible noncitizens be counted when determining household eligibility.

## ADDITIONAL READING

- Robert Rector and Katherine Bradley, "Reforming the Food Stamp Program," Heritage Foundation *Backgrounder* No. 2708, July 25, 2012.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Cuts spending by $32 million. |

DISCRETIONARY

**$1.0**
SAVINGS IN BILLIONS[39]

# Sunset Head Start to Make Way for Better State and Local Alternatives

In addition to its questionable constitutional status as a federal government function, Head Start has failed to live up to its stated mission of improving kindergarten readiness for children from low-income families. In December 2012, the Department of Health and Human Services, which administers Head Start, released a scientifically rigorous evaluation of the program's impact on more than 5,000 participating children. It found that Head Start had little to no impact on the cognitive skills, social-emotional well-being, health, or parenting practices of participants.

Low-income families should not have to depend on distant, ineffective federal preschool and child care programs. Congress should sunset the federal Head Start program over a period of 10 years to give states time to assume revenue responsibility, if necessary. Congress should begin by reducing Head Start funding by 10 percent in FY 2020. Ultimately, Head Start would be completely phased out by 2029.

## ADDITIONAL READING

- Lindsey M. Burke and David B. Muhlhausen, "Head Start Impact Evaluation Report Finally Released," Heritage Foundation *Issue Brief* No. 3823, January 10, 2013.
- David B. Muhlhausen, "The Head Start CARES Demonstration: Another Failed Federal Early Childhood Education Program," Heritage Foundation *Backgrounder* No. 3040, August 6, 2015.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | REJECTED | Maintains funding at FY 2019 levels. |

DISCRETIONARY

**$8.8**
SAVINGS IN BILLIONS[40]

# Eliminate Competitive and Project Grant Programs and Reduce Spending on Formula Grants

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. Competitive grant programs authorized under the Elementary and Secondary Education Act are ineffective and inappropriate at the federal level. They should be eliminated, and federal spending should be reduced to reflect remaining formula grant 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.

Since the 1970s, inflation-adjusted federal education spending per pupil has more than doubled. The Every Student Succeeds Act alone authorizes dozens of competitive and formula grant programs, many of which are both redundant and ineffective. Federal education programs have failed to improve K–12 education nationally and have imposed a tremendous bureaucratic compliance burden on states and local school districts. To ensure that state and local school leaders' focus is oriented toward meeting the needs of students and parents rather than satisfying federal bureaucrats, program count and associated federal spending should be curtailed.

## ADDITIONAL READING

- Lindsey M. Burke, "How the A-PLUS Act Can Rein in the Government's Education Power Grab," Heritage Foundation *Backgrounder* No. 2858, November 14, 2013.
- Lindsey M. Burke, "Reducing the Federal Footprint on Education and Empowering State and Local Leaders," Heritage Foundation *Backgrounder* No. 2565, June 2, 2011.



| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Cuts 29 programs, most of which are discretionary spending. |

DISCRETIONARY

–$1.2
INCREASE IN BILLIONS[41]

# Decouple Federal Student Aid from Accreditation

The federal government's involvement in the accreditation process restricts the flourishing of innovation in higher education. The current process in which accreditors serve as gatekeepers of federal student aid dollars also does very little to ensure that students are getting a quality education that has application in the marketplace. Decoupling federal financing from the accreditation process and allowing states to recognize their own accreditors would bring needed reform and flexibility to the system.

Additionally, students should be granted flexibility with their federal student aid to pursue individual courses that serve their needs rather than being limited to enrolling in a costly and often inefficient degree program. A reformed accreditation process, coupled with lower caps on student lending and elimination of loan forgiveness policies, could provide this needed flexibility for students. This proposal was included in the Higher Education Reform and Opportunity Act of 2017, introduced in the 115th Congress by former Representative Ron DeSantis (R–FL) and Senator Mike Lee (R–UT).[42]

## ADDITIONAL READING

- Jamie Bryan Hall and Mary Clare Reim, "Time to Reform Higher Education Financing and Accreditation," Heritage Foundation *Issue Brief* No. 4668, March 28, 2017.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | NOT ADDRESSED | |

DISCRETIONARY

**$2.3**
SAVINGS IN BILLIONS[43]

# Eliminate the PLUS Loan Program

The PLUS Loan program, which allows parents of undergraduate students and graduate students to borrow from the federal government up to the full cost of attendance at a university, is a considerable driver of tuition inflation. Evidence suggests that virtually unrestricted access to federal student aid leads to tuition inflation. To bring down college costs and reduce dependence on federal student aid programs to finance higher education, policymakers should place strict lending caps on federal student aid and eliminate the PLUS Loan program.

Both graduate students and the parents of undergraduate students can borrow through the PLUS Loan program, which provides federal loans beyond the main federal lending programs. Ultimately, eliminating the PLUS Loan program will put downward pressure on tuition prices, discourage family-level debt, and create space for private lenders to enter the student loan market.

## ADDITIONAL READING

- Mary Clare Amselem: "The Case for Private Student Loans," Heritage Foundation *Commentary*, May 23, 2017.
- Mary Clare Amselem, "Seven Essential Policies for a Higher Education Act Reauthorization," Heritage Foundation *Issue Brief* No. 4767, September 22, 2017.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | NOT ADDRESSED | |

DISCRETIONARY

**$5.5**
SAVINGS IN BILLIONS[44]

# Place Strict Lending Caps on All Federal Aid Programs

Unrestricted access to federal student aid has been a significant contributor to the skyrocketing cost of higher education. Additionally, the federal government originates 90 percent of all student loans, crowding out private lenders and leaving taxpayers on the hook for defaults and loan forgiveness. To drive down college costs and reduce taxpayer exposure to high levels of student debt, policymakers should place lower, strict borrowing caps on federal student loans. This policy would encourage colleges to offer competitive prices to students and allow the private lending market to emerge and offer more options to students.

The Higher Education Reform and Opportunity Act of 2017, introduced in the 115th Congress by former Representative Ron DeSantis (R–FL) and Senator Mike Lee (R–UT), proposes a lending cap of $30,000 for undergraduate students and $40,000 for graduate students. These caps represent sound higher education policy that would protect students and taxpayers alike. Additionally, an annual lending cap of $7,500 would help to prevent excessive lending and put downward pressure on tuition prices.

## ADDITIONAL READING

- Mary Clare Amselem, "Soaring Student Debt Costs Us All," Heritage Foundation *Commentary*, August 18, 2017.
- Mary Clare Amselem, "The Case for Private Student Loans," Heritage Foundation *Commentary*, May 23, 2017.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | NOT ADDRESSED | Expands eligibility for the Pell Grant program. |

MANDATORY

**$7.3**
SAVINGS IN BILLIONS[45]

## Eliminate the Mandatory Funding Add-On to Pell Grants

Pell Grants are currently funded by a convoluted combination of mandatory and discretionary funds. In the 2019–2020 academic year, students can receive a maximum amount of $5,135 under the discretionary component alone. However, the maximum amount can be increased by $1,060 to $6,195 through the Pell Grant funding add-on, authorized as mandatory funding. Congress should have the discretion to reevaluate the maximum funding for the Pell Grant program annually, which is not currently possible with the Pell add-on because it is included in mandatory spending.

### ADDITIONAL READING

- Mary Clare Amselem, "Soaring Student Debt Costs Us All," Heritage Foundation *Commentary*, August 18, 2017.
- David Ditch, "Congress Sees Hundreds of Millions in New Spending as an Afterthought," The Daily Signal, September 28, 2018.



| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | REJECTED | Eliminates the in-school interest subsidy but does not remove the cap on interest rates. |

MANDATORY

**$700**
SAVINGS IN MILLIONS[46]

# Remove the Cap on Interest Rates for Student Loans

The federal direct loan program currently places congressionally determined caps on interest rates for student loans. While current interest rates operate below this cap, such a cap should not exist at all. It should be removed so that the market, not government, can influence loan interest rates. Students make better financial decisions about their academic futures when they are given all of the correct information about their loans and the possibilities for repayment. Interest rates often serve as a valuable tool in that decision-making process.

## ADDITIONAL READING

- Mary Clare Amselem, "Seven Essential Policies for a Higher Education Act Reauthorization," Heritage Foundation *Issue Brief* No. 4767, September 22, 2017.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Eliminates the Public Service Loan Forgiveness program but offers more generous loan forgiveness terms for Stafford loans. |

DISCRETIONARY

**$370**
SAVINGS IN MILLIONS[47]

# Eliminate All Time-Based and Occupation-Based Loan Forgiveness

Americans are struggling under $1.5 trillion in student loan debt. Unfortunately, when students cannot afford to pay off their student loans, American taxpayers end up with that bill because of federal loan forgiveness policies and borrower defaults. Students who take out federal loans can have their loans forgiven after 20 years of payments, and the loans of public service employees are forgiven after just 10 years under current law. The Congressional Budget Office estimates that student loan forgiveness will cost American taxpayers, the majority of whom do not hold bachelor's degrees, $108 billion over the next 10 years.[48]

Not only does loan forgiveness transfer large amounts of student debt onto the backs of taxpayers, but it also encourages excessive borrowing on the part of students, confident that after a certain number of years their loans will be eliminated. To restore fiscal responsibility to higher education and insulate taxpayers from outstanding student loan debt, policymakers should eliminate loan forgiveness.

## ADDITIONAL READING

- Mary Clare Amselem, "Time for a Time-Out on Wasteful Federal Student Loan Programs," Heritage Foundation *Commentary*, October 10, 2017.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | PARTIALLY INCLUDED | Not addressed, although the Administration is taking steps to reform the rule. |

DISCRETIONARY

**$0**
(NO SAVINGS)[49]

# Rescind "Gainful Employment" Regulations on For-Profit Higher Education Institutions

The Higher Education Act stipulates that to be eligible for federal student aid, colleges must prepare students for "gainful employment in a recognized occupation." The U.S. Department of Education aggressively promulgated rules concerning gainful employment during the Obama Administration, and gainful employment regulations primarily affecting for-profit institutions went into effect on July 1, 2015. In particular, these regulations could limit opportunities for non-traditional students, who might choose a for-profit institution because of its flexibility and affordability.

The Trump Administration should enable private for-profit and vocational colleges to continue to serve students who have been historically underserved by traditional universities. It can do this by repealing the gainful employment regulations that took effect on July 1, 2015.

## ADDITIONAL READING

- Lindsey M. Burke, "Reauthorizing the Higher Education Act—Toward Policies that Increase Access and Lower Costs," Heritage Foundation *Backgrounder* No. 2941, August 19, 2014.

| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | NOT ADDRESSED | |

DISCRETIONARY

$1.2
SAVINGS IN BILLIONS[50]

## Eliminate Funding for 21st Century Community Learning Centers

A 2017 Government Accountability Office review of the literature on the 21st Century Community Learning Centers Program (21st CCLC), which provides additional federal funding for after-school programs, found that none of the studies in its review produced "consistently better scores in either math or reading."[51] Research has also demonstrated that 21st CCLC participants are "no more likely to have higher academic achievement" than their non-participating peers and "more likely to engage in some negative behaviors."[52]

In addition to limited positive impacts on participants, funding after-school programs is outside the scope of the federal government. After-school programs should be locally funded or provided through private options.

### ADDITIONAL READING

- David B. Muhlhausen, "Trump's Responsible Decision to End an After-School Program that Harms Children," The Daily Signal, March 17, 2017.
- Lindsey M. Burke, Jude Schwalbach, and Jonathan Butcher, "Funding Education Savings Accounts for Military Families by Repurposing the 21st Century Community Learning Centers Program," Heritage Foundation *Issue Brief* No. 4930, December 20, 2018.

LABOR/HHS

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$190**
SAVINGS IN MILLIONS[53]

# Eliminate Comprehensive Literacy Development Grants

Congress should eliminate funding for the redundant and costly Comprehensive Literacy Development Grants. This program was authorized as part of the FY 2010 Consolidated Appropriations Act to advance reading skills for students from pre-school age through grade 12. These grants do not have a proven record of success to justify taxpayer spending, and federal agencies have yet to conduct any rigorous evaluations of the program. As the Department of Education has explained, "Evaluation activities primarily included surveys of teachers and school leaders to gauge perceptions of professional development activities.... A better situation would be to compare the performance of students in the SRCL program to a comparison group with students who have similar characteristics."[54]

Federal and local programs already exist to facilitate the development of childhood literacy. Such educational programs are better handled at the state and local levels and should be managed by the local leaders who understand local contexts and how to target such initiatives effectively. The federal government should not be funding and administering childhood literacy programs.

## ADDITIONAL READING

- U.S. Department of Education, Office of Elementary and Secondary Education, EDTASS: Striving Readers Comprehensive Literacy (SRCL), *5.2—National Performance Report: 2014–15*, September 2016.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$840**
SAVINGS IN MILLIONS[55]

# Eliminate Federal Supplemental Educational Opportunity Grants

Federal Supplemental Educational Opportunity Grants offer additional needs-based assistance to undergraduate students to help them pay for college. Numerous federal aid programs already exist to help students finance their college education, including direct loan programs and the Pell Grant program for low-income students. Congress already spends upwards of $28 billion every year on the Pell Grant program, which in some circumstances can cover the entire cost of tuition at community colleges. Furthermore, the evidence suggests that excessive federal higher education subsidies lead to tuition inflation.

Federal higher education subsidies should be limited and well targeted. Congress should focus its policy priorities on limiting federal aid programs and eliminating redundant or ineffective programs in order to drive down college costs and restore private lending options for students. There is no evidence that Supplemental Educational Opportunity Grants have been successful in helping students to complete their degrees in a timely manner, and the program should be eliminated.

## ADDITIONAL READING

- Lindsey M. Burke, "Reauthorizing the Higher Education Act—Toward Policies that Increase Access and Lower Costs," Heritage Foundation *Backgrounder* No. 2941, August 19, 2014.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$360**
SAVINGS IN MILLIONS[56]

# Eliminate GEAR UP

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) is a costly program that exists ostensibly to increase the number of low-income students enrolled in college and help these students navigate the pathway from high school to higher education. The federal government should not be providing funds under the premise that higher education is the sole option for students after high school. Many students would be better served by short-term career-centered programs. GEAR UP adds to already high levels of higher education spending, and there is little evidence that it has met its goal of increasing college readiness for disadvantaged students.

Additionally, it is not the proper role of the federal government to provide taxpayer dollars to create a pipeline from high school to college. GEAR UP should be eliminated, and its functions should instead be handled privately or at the state and local levels, where policymakers are better equipped to increase college preparedness within their school districts.

## ADDITIONAL READING

- Lindsey M. Burke, "Advancing School Choice and Restoring State and Local Control of Education Through A-PLUS," Heritage Foundation *Issue Brief* No. 4679, April 5, 2017.
- Lindsey M. Burke, "Reauthorizing the Higher Education Act—Toward Policies that Increase Access and Lower Costs," Heritage Foundation *Backgrounder* No. 2941, August 19, 2014.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$1.2**
SAVINGS IN BILLIONS[57]

# Eliminate Student Support and Academic Enrichment Grants

Student Support and Academic Enrichment Grants, authorized under the Every Student Succeeds Act of 2015, are awarded to school districts that already receive Title I funds. According to the Department of Education, the program exists to "(1) provide all students with access to a well-rounded education; (2) improve school conditions for student learning; (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students."[58] Ultimately, however, these grants are unlikely to spark meaningful reform in school districts and are outside the scope of the federal government.

Such goals are extremely broad and difficult to quantify, and they do not justify federal involvement. States and localities already dedicate resources to improving school environments and the use of technology. Student Support and Academic Enrichment Grants should be cut from the federal budget.

## ADDITIONAL READING

- Lindsey M. Burke, "Advancing School Choice and Restoring State and Local Control of Education Through A-PLUS," Heritage Foundation *Issue Brief* No. 4679, April 5, 2017.



| PROPOSAL | STATUS | EXPLANATION |
| --- | --- | --- |
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$2.1**
SAVINGS IN BILLIONS[59]

# Eliminate Supporting Effective Instruction State Grants

Supporting Effective Instruction (SEI) state grants are used primarily for class-size reduction and professional development. According to the Trump Administration's FY 2020 budget proposal, "SEI grants are poorly targeted and funds are spread too thinly to have a meaningful impact on student outcomes."[60] There is little if any return on investment from teacher professional development programs, and as Stanford economist Eric Hanushek has documented, the empirical evidence "gives no indication that general reductions in class size will yield any average improvement in student achievement."[61]

Taxpayer dollars should be directed toward constitutionally sound programs with demonstrated evidence of success. Because the heavy taxpayer investment in SEI grants does not meet that standard, this program should be eliminated.

## ADDITIONAL READING

- Eric A. Hanushek, "The Evidence on Class Size," Chapter 7 in *Earning and Learning: How Schools Matter*, ed. Susan E. Mayer and Paul E. Peterson (Washington: Brookings Institution Press, and New York: Russell Sage Foundation, 1999), pp. 131–168.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$318**
SAVINGS IN MILLIONS[62]

# Eliminate Competitive Teaching Grant Programs

Policymakers should eliminate the four competitive teaching grant programs: Supporting Effective Educator Development (SEED); Teacher and School Leader Incentive Grants (TSLIG); and Teacher Quality Partnerships (TQP). All of these programs aim generally to improve teacher quality and differ only slightly in their stated purposes. States and localities all across the country, on the other hand, differ significantly with respect to their hiring needs in public schools.

Distributing grants to these localities to assist them in recruiting high-quality teachers is not properly a function of the federal government. Instead, local policymakers and school leaders should focus their efforts on instituting merit pay and removing outdated policies like "last in first out" to recruit and retain the most qualified public school teachers. The federal government should not use limited taxpayer dollars to supplement state efforts.

## ADDITIONAL READING

- Lindsey M. Burke, "Advancing School Choice and Restoring State and Local Control of Education Through A-PLUS," Heritage Foundation *Issue Brief* No. 4679, April 5, 2017.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$445**
SAVINGS IN MILLIONS[63]

# Privatize the Corporation for Public Broadcasting

The CPB was created in 1967 at a time when U.S. households faced very limited broadcasting options. Since then, technology has grown, and the number of media sources for accessing news and broadcasting is much greater. The CPB has already been appropriated $445 million per year in advance federal funding through FY 2021.[64] The President's FY 2019 budget called for rescinding all but $15 million of that amount.

Without federal funding from the CPB, services such as the Public Broadcasting Service and National Public Radio would operate as any other news or broadcasting source in the private sector operates. Both organizations could seek to make up the lost funding by increasing revenues from corporate sponsors, foundations, and members. NPR states that its member stations receive only 4 percent of their overall funding from federal, state, and local governments.[65]

Many nonprofits manage to stay in business without receiving federal funding by being creative and reacting to market fluctuations. Public broadcasters should be no exception. NPR and PBS should find new sponsors, create new shows, and find alternative ways to generate viewership without receiving taxpayer funding.

## ADDITIONAL READING

- Mike Gonzalez, "Stop Forcing Taxpayers to Fund Public Broadcasting," Heritage Foundation *Commentary*, November 6, 2017.
- Emily Goff, "Why Big Bird's Federal Subsidies Need to Go," The Daily Signal, October 14, 2012.
- BDO, "Public Broadcasting Service and Subsidiaries: Consolidated Financial Statements and Independent Auditor's Report, Years Ended June 30, 2014 and 2013," October 30, 2014.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$787**
SAVINGS IN MILLIONS[66]

# Eliminate the Corporation for National and Community Service

The CNCS is a federal agency created to promote public service and support the institutions of civil society. It operates four main programs—AmeriCorps, Senior Corps, the Social Innovation Fund, and the Volunteer Generation Fund—as well as other public service–oriented programs. 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, but it is not the proper role of the federal government to intervene in this sector. Americans already give to charity and volunteer their time. In 2017, according to the Charities Aid Foundation, 158 million Americans donated money to charity, and 102 million spent time volunteering.[67] Moreover, the CNCS is not using a significant portion of its current federal funding. The FY 2019 Defense and Labor/Health and Human Services appropriation bill rescinded $150 million in unobligated balances from the National Service Trust, which had been created to cover interest on qualified student loans while individuals serve in AmeriCorps.

The CNCS should be eliminated. 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 deprives individuals of this choice and forces taxpayers to subsidize particular charities chosen by the government. If the hand-picked charities included in the CNCS provide valuable services that Americans deem worthy of their time and money, those charities will have the opportunity to maintain their operations through private donations in the same way that other charitable organizations receive their funds.

## ADDITIONAL READING

- Matthew Spalding, "Principles and Reforms for Citizen Service," Heritage Foundation *Backgrounder* No. 1642, April 1, 2003.
- Patrick Louis Knudsen, "Tight Budget? Congress Can Save $42 Billion by Eliminating Bad Government Programs," Heritage Foundation *Backgrounder* No. 2837, August 29, 2013.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$242**
SAVINGS IN MILLIONS[68]

# Eliminate Funding for the Institute of Museum and Library Services

The IMLS is an independent agency that administers federal funds to libraries and museums. In 2019, Congress appropriated $242 million for the agency. A primary focus of the institute's activity is its Grants to States program, which "annually provides population-based grants to each state's library administrative agency."[69] The agency also administers smaller grants such as the Laura Bush 21st Century Librarian Program, which funds librarian workforce development, and Museums for America, which strive to enhance the ability of museums to serve the public. The IMLS also supports special and tribal libraries, as well as various museums.

It is not the proper role of the federal government to give grants to libraries and museums when these institutions are already being funded at the state and local levels. The federal government should devolve funding decisions for these institutions back to states and localities.

## ADDITIONAL READING

- Sven R. Larsen, "Federal Funds and State Fiscal Independence," Heritage Foundation *Backgrounder* No. 2136, May 15, 2008.
- Patrick Louis Knudsen, "Tight Budget? Congress Can Save $42 Billion by Eliminating Bad Government Programs," Heritage Foundation *Backgrounder* No. 2837, August 29, 2013.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | |

DISCRETIONARY

**$208.7**
SAVINGS IN MILLIONS[70]

# Cut the Annual Smithsonian Institution Subsidy by 20 Percent and Cap It at That Amount

The Smithsonian Institution was founded through a donation by James Smithson in 1846. It was established for the purpose of increasing and diffusing knowledge. With 19 museums and galleries, nine research centers, and the National Zoo, the Smithsonian is the world's largest museum and research complex.

The Smithsonian Institution is one of the world's best-known museums. Trust funds, government grants and contracts, and private donations accounted for an estimated 30 percent of its budget in 2018. Between FY 2017 and FY 2018, the Smithsonian's appropriation increased by $180 million, with all but $2 million of the new funding used for the National Air and Space Museum's multi-year revitalization and other facilities projects.

Both public and private institutions often engage in widespread fundraising activities to fund capital projects. The Smithsonian Institution should continue to use its name recognition to expand its private donor base to pay for new projects and recurring expenses instead of asking taxpayers to do so.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | REJECTED | Maintains funding at FY 2019 levels. |

DISCRETIONARY

**$65**
SAVINGS IN MILLIONS[71]

## Reduce Funding for the Department of Education's Office for Civil Rights

The OCR is tasked with ensuring equal access to education and enforcing civil rights laws. In recent years, the department has abused its power by interpreting "sex" to mean "gender identity," essentially rewriting the law to require access to intimate facilities, dorms, and sports programs for students based on self-declared gender identity rather than biology.[72] Moreover, the department has violated the principles of due process by requiring an unfairly low burden of proof for adjudicating claims of sexual harassment or assault and making it exceedingly difficult for the accused to defend themselves.[73]

The Trump Administration has taken steps to correct the previous Administration's actions that undermined the rule of law by rescinding the Obama Administration's gender identity[74] and sexual assault[75] school policies. In addition, the OCR budget should be cut significantly so that schools can make policies that will best serve *all* members of their communities.

### ADDITIONAL READING

- Ryan T. Anderson, "Obama Unilaterally Rewrites Law, Imposes Transgender Policy on Nation's Schools," The Daily Signal, May 13, 2016.
- Hans von Spakovsky, "Campus Sexual Assault: Understanding the Problem and How to Fix It," Heritage Foundation *Legal Memorandum* No. 211, July 25, 2017.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | REJECTED | Increases funding to $125 million from the FY 2019 level of $107 million. |

MANDATORY

**$115.9**
SAVINGS IN BILLIONS[76]

# Reform Medical Liability for Federal Health Programs

The current medical liability system does not work for patients or providers. Nor does it promote high-quality, evidence-based care. Providers practice with a threat of potentially frivolous lawsuits, and injured patients often do not receive just compensation for their injuries.

This proposal would reform medical liability and reduce defensive medicine by implementing a set of provisions to reduce the number of high-dollar awards, limit liability, reduce provider burden, promote evidence-based practices, and strengthen the physician–patient relationship. These requirements would apply to any individual who brings a health care lawsuit and who used medical services for which Medicaid, Medicare, and other federal health programs paid, either in whole or in part, including a person who asserts or claims a right to legal or equitable contribution, indemnity, or subrogation arising out of a health care liability claim or action and any person on whose behalf such a claim is asserted or such an action is brought, whether deceased, incompetent, or a minor.

Specifically, the proposal includes placing a cap on non-economic damage awards of $250,000 (increasing with inflation over time); specifying a three-year statute of limitations; allowing courts to modify attorney's fee arrangements; allowing evidence of a claimant's payments from other sources, such as workers' compensation and auto insurance, to be introduced at trial; creating a safe harbor for clinicians who follow evidence-based clinical practice guidelines; and authorizing the Secretary of Health and Human Services to create expert panels and administrative health care tribunals to review medical liability cases.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | Caps non-monetary damages at $250,000, adds a statute of limitations, and includes additional reforms. |

MANDATORY

**$0**
(NO SAVINGS)[77]

# End Provider Taxes in Medicaid

Some states employ provider tax schemes that consist of increasing their Medicaid reimbursement rate for providers but then "taxing back" a portion of that increased payment. Because federal match rates are based on total payment amounts, the effect of this state policy is to increase federal reimbursement beyond the level the state would receive without the provider tax. Today, states are limited to using no more than 6 percent of provider tax revenues.

Congress should either eliminate this threshold altogether or further reduce it. This policy would stop the "state gaming" of reimbursement and bring greater transparency to the financing of Medicaid.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | NOT ADDRESSED | |

MANDATORY

**$1.4**
SAVINGS IN BILLIONS[78]

# Consolidate and Reform the Financing of Graduate Medical Education Programs

Graduate Medical Education (GME) programs provide federal funding to help train physicians. The largest porting of this funding is channeled to teaching institutions in the form of increased Medicare payments. This federal structure ignores geographic disparities, is unresponsive to workforce needs, and lacks accountability and oversight.

Congress should reform the GME program by consolidating GME financing in a single discretionary funding source, shift management responsibilities to the states, and require that funding follow the trainee and not be linked to the teaching institutions.

## ADDITIONAL READING

- John S. O'Shea, "Reforming Graduate Medical Education in the U.S.," Heritage Foundation *Backgrounder* No. 2983, December 29, 2014.



| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | Broadly consistent with recommendation. |

MANDATORY

**$0**
(NO SAVINGS)[79]

# Modify Payments to Hospitals for Uncompensated Care in Medicare and Medicaid

The federal government through Medicare and Medicaid provides hospitals with supplemental payments to offset the costs of treating indigent, uninsured patients. The current system of payments to hospitals through uncompensated care payments in Medicare and disproportionate-share payments (DSH) in Medicaid is poorly targeted, insufficiently accountable, and in need of reform.

Under this proposal, both the Medicare and Medicaid formulas for hospital supplemental payments would be consolidated and transferred out of Medicare and Medicaid into a discretionary funding mechanism based on actual hospital claims rather than the current formulas. This reform would bring greater transparency and accountability to the distribution of these payments.

| PROPOSAL | STATUS | EXPLANATION |
|---|---|---|
| **President's Budget (FY2020)** | INCLUDED | Broadly consistent with recommendation. |

## POLICY RIDERS

**Strengthen the TANF Program's work requirements.** The majority of work-eligible TANF recipients (54.3 percent across the states in FY 2017) are neither working nor preparing for work.[80] This is partly because states take advantage of loopholes that allow them to fulfill the work requirement without actually having to move recipients into work activity. The main reason, however, is that the work-participation rate is too low. Only 50 percent of able-bodied adults are required to participate in work activities, which means that even though the other 50 percent of the caseload may be completely idle, the state is still fulfilling the requirement. Moreover, among the half of TANF recipients that fulfill the work requirements, most are working part time. State welfare bureaucracies have generally done little if anything to promote this employment, but they still take the credit. Congress should strengthen TANF's work requirement so that 75 percent of a state's non-employed TANF caseload is participating in work activities for 20 hours to 30 hours per week.[81]

**Protect freedom of conscience in health care.** Congress should maintain all existing pro-life policy riders that prevent federal funding from being entangled with the provision, coverage, or advocacy of abortion, whether in the U.S. or abroad. 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 coverage for abortions. Congress should also allow victim-of-conscience violations to be vindicated in court.[82] The need to codify these protections and give victims a better path to relief is urgent. In August 2014, the California Department of Managed Health Care mandated that almost every health plan in the state, including plans offered by religious organizations, religious schools, and even churches, must include coverage of elective abortions. Complaints to the U.S. Department of Health and Human Services about the state's mandate were dismissed by the Office for Civil Rights after nearly two years of investigation.[83] Policymakers should not wait for more assaults on conscience before protecting the freedom of every American to provide, find, or offer health care and health insurance coverage that aligns with his or her values.



**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 like the Planned Parenthood Federation of America 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 infants. No federal funds should go to the PPFA or any of its affiliates or health centers. Under the recommendation, disqualifying Planned Parenthood affiliates and other abortion providers from receiving Title X family planning grants, Medicaid reimbursements, and other grants and contracts would not reduce the overall funding for women's health care: The funds currently flowing to Planned Parenthood affiliates and other abortion providers would be shifted to programs that offer comprehensive health care without entanglement in abortion on demand.

**Transition Impact Aid into education savings accounts for military families.** Although many aspects of military life have been modernized over the past century, the way in which the federal government supports the education of federally connected children has failed to keep pace with new education delivery models. Children of military families continue to be assigned to schools that may or may not meet their learning needs, consigning them to nearby district schools that are closest to their parents' duty station. Washington then provides taxpayer funding to district schools through a federal program called Impact Aid. Instead of filtering the $1.3 billion in federal Impact Aid funding to district schools and then assigning students to those schools based on where their parents are stationed, Impact Aid dollars should be directed to eligible students. All Impact Aid dollars for military-connected children in heavily impacted districts and all funding for children living on base in districts that are not heavily impacted should go directly into a parent-controlled ESA that the family could use to pay for any education-related service, product, or provider that meets the specific needs of their children.[84]

## ENDNOTES

1. Savings of $1.719 billion for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, Public Law 115-245, 115th Cong., September 28, 2018, https://www.congress.gov/search?q=%7B%22source%22:%22legislation%22,%22search%22:%22cite:PL115-245%22%7D (accessed April 6, 2019). Heritage experts assume that FY 2019 spending remains constant in FY 2020.
2. Peter Z. Schochet, Sheena McConnell, and John Burghardt, *National Job Corps Study: Findings Using Administrative Earnings Records Data, Final Report*, Mathematica Policy Research, October 2003, https://www.mathematica-mpr.com/api/sitecore/MediaLibrary/ActualDownload?fileId=%7BEA39AE2D-BF35-41B0-9FD4-5550A46947C6%7D&fileName=jobcorpsadmin.pdf&fileData=jobcorpsadmin.pdf%20-%20%7BEA39AE2D-BF35-41B0-9FD4-5550A46947C6%7D&fileMime=application%2Fpdf (accessed April 6, 2019). Contract report submitted to U.S. Department of Labor, Employment and Training Division, Office of Policy and Research.
3. Estimated savings of $3.250 billion for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, which specifies $3.503 billion for activities including the WIOA, the Second Chance Act of 2007, and the Apprenticeship Act. Of this total, the act specifies $160 million to expand opportunities for apprenticeship programs and lists $93 million for ex-offender activities as authorized under both the WIOA and the Second Chance Act. Estimated savings exclude these $160 million and $93 million amounts. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
4. Estimated savings of $741 million for FY 2020 are based on the FY 2019 full-year spending level as reported in U.S. Department of Labor, *FY 2020 Department of Labor Budget in Brief*, pp. 13 and 14, https://www.dol.gov/sites/dolgov/files/general/budget/2020/FY2020BIB.pdf (accessed April 6, 2019). Heritage experts assume that FY 2019 spending remains constant in FY 2020.
5. Estimated savings of $10.5 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
6. U.S. Department of Labor, *U.S. Department of Labor FY 2015 Annual Performance Report*, https://www.dol.gov/sites/default/files/documents/general/budget/CBJ-2017-V1-01.pdf (accessed April 6, 2019).
7. Estimated savings of $123 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. This proposal would reduce spending by 45 percent, or $123 million of the appropriated $274 million. Heritage experts assume that FY 2019 spending remains constant in FY 2020. Reducing the NLRB's budget by 45 percent in FY 2020 would bring its spending in line with previous funding levels for its caseload. This would save taxpayers $123 million in FY 2020. The NLRB's projected FY 2019 budget authority is $274 million, even though unfair-labor-practice complaints have fallen by 40 percent since FY 1990 and election petitions have fallen by an even larger amount; a proportional reduction of 45 percent would bring its FY 2020 spending down to $151 million.
8. Estimated savings of $103.5 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
9. Estimated savings of $13.8 million for FY 2020 are based on the FY 2019 full-year spending level as reported in U.S. Department of Labor, *FY 2020 Department of Labor Budget in Brief*, p. 36. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
10. Estimated savings of $59.8 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
11. U.S. Department of Labor, Bureau of International Labor Affairs, "Mission," https://www.dol.gov/agencies/ilab/about-us (accessed April 7, 2019).
12. Estimated savings of $268 million for FY 2020 are based on a GeneralSchedule.org statistic showing that 37,033 federal employees live in areas designated "Rest of U.S." and that the average salary for employees in these areas is $54,297. The 15.37 percent "Rest of U.S." adjustment means that the average salary is $7,234 above the base salary for these areas. Thus, eliminating the "Rest of U.S." locality pay and reverting those areas back to the base GS scale would result in $268 million in savings for FY 2020. GeneralSchedule.org, "Rest of U.S. General Schedule Payscale," https://www.generalschedule.org/localities/rest-of-us (accessed April 6, 2019).
13. FederalPay.org, "General Schedule (GS) Locality Pay Map," 2019, https://www.federalpay.org/gs/locality (accessed April 6, 2019).
14. Estimated savings of $376 million for FY 2020 are based on Heritage Foundation experts' analysis of proposed comprehensive federal employee compensation reforms as detailed in Rachel Greszler and James Sherk, "Why It Is Time to Reform Compensation for Federal Employees," Heritage Foundation *Backgrounder* No. 3139, July 27, 2016, https://www.heritage.org/jobs-and-labor/report/why-it-time-reform-compensation-federal-employees#_ftn3. Savings for FY 2020 have been updated to reflect the most recent, June 2018 federal employment data available from FedScope (fedscope.opm.gov) and to reflect implementation in 2020 as opposed to 2017 as assumed in the original Heritage Foundation report and figures. FY 2020 savings are small compared to this proposal's longer-term savings because the savings compound over time as workers' automatic pay increases compound over time. The long-term effect of the proposal would be to reduce salaries by 5 percent. Total savings over the 2020–2029 period would equal $27.287 billion. This 10-year figure includes effects that interact with other Heritage Foundation experts' proposals to bring federal personnel compensation in line with private-sector compensation.

15. James Sherk, "Inflated Federal Pay: How Americans Are Overtaxed to Overpay the Civil Service," Heritage Foundation *Center for Data Analysis Report* No. CDA10-05, July 7, 2010, http://www.heritage.org/research/reports/2010/07/inflated-federal-pay-how-americans-are-overtaxed-to-overpay-the-civil-service.
16. Estimated savings of $46.701 billion for FY 2020 are based on Heritage Foundation experts' analysis of proposed comprehensive federal employee compensation reforms as detailed in Greszler and Sherk, "Why It Is Time to Reform Compensation for Federal Employees." Savings for FY 2020 have been updated to reflect the most recent, June 2018 federal employment data available from FedScope (fedscope.opm.gov) and to reflect implementation in 2020 as opposed to 2017 as assumed in the original Heritage Foundation report and figures. Retirement savings represent accrual-based savings: the long-term savings generated by the impact of the policy change on 2020 retirement benefit accruals. Since workers earn FERS credits each year but do not actually receive benefits until retirement, it makes sense to list the accrued savings that will occur to the federal government as a result of lower retirement contribution rates. FY 2020 savings include $13.802 billion in accrual-based discretionary savings from permanent changes and $32.898 billion in one-time savings from the buyout option for federal employees to convert their accumulated FERS benefits to TSP contributions with a 25 percent reduction in actuarial value. Total accrual-based savings over the 2020–2029 period would equal $206.253 billion. This 10-year figure includes effects that interact with other Heritage Foundation experts' proposals to bring federal personnel compensation in line with private-sector compensation.
17. Estimated savings of $113 million for FY 2020 are based on the CBO's estimated first-year savings from eliminating the special retirement supplement as found in Congressional Budget Office, *Options for Reducing the Deficit: 2017 to 2026*, December 2016, p. 36, https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions2.pdf (accessed April 6, 2019), and Congressional Budget Office, *Options for Reducing the Deficit: 2019 to 2028*, December 2018, p. 310, https://www.cbo.gov/system/files?file=2018-12/54667-budgetoptions.pdf (accessed April 6, 2019). The most recent 2018 report does not include annual savings estimates, so Heritage analysts applied the overall increase in reported savings of 13 percent (from a total of $4.7 billion in the 2016 report to $5.3 billion in the 2018 report) to each year's previously reported savings. Savings would grow over time, amounting to $5.3 billion over 10 years. All $113 million in savings represents mandatory spending.
18. Reg Jones, "The Special Retirement Supplement," FEDweek, January 22, 2018, http://www.fedweek.com/reg-jones-experts-view/special-retirement-supplement/ (accessed April 6, 2019).
19. Estimated savings of $5.732 billion for FY 2020 are based on Heritage Foundation experts' analysis of proposed comprehensive federal employee compensation reforms as detailed in Greszler and Sherk, "Why It Is Time to Reform Compensation for Federal Employees." Savings for FY 2020 have been updated to reflect the most recent, June 2018 federal employment data available from FedScope (fedscope.opm.gov) and to reflect implementation in 2020 as opposed to 2017 as assumed in the original Heritage Foundation report and figures. Heritage Foundation experts estimate that this reform would reduce federal employment by 2.2 percent and generate total savings of $71.554 billion over the 2020–2029 period. This 10-year figure includes effects that interact with other Heritage Foundation experts' proposals to bring federal personnel compensation in line with private-sector compensation.
20. Estimated savings of $569 million for FY 2020 are accrual-based savings, which means that the actual savings do not accrue to the federal government until the future years when employees do not receive the FEHB benefits they otherwise would have received. Savings estimates are based on a CBO report that estimated the value of FEHB benefits at 6.4 percent of workers' pay. See Congressional Budget Office, "The President's Proposal to Accrue Retirement Costs for Federal Employees," *CBO Paper*, June 2002, https://www.cbo.gov/sites/default/files/107th-congress-2001-2002/reports/accrual.pdf (accessed April 6, 2019). We apply this value to current statistics (June 2018) on the number and wages of federal employees. Total savings over the 2020–2029 period would equal $32.53 billion. This 10-year figure includes effects that interact with other Heritage Foundation experts' proposals to bring federal personnel compensation in line with private-sector compensation.
21. Authors' calculations establish the 6.34 percent of pay cost by comparing the average salary of $54,656 in 2002 to the estimated $3,475 accrual cost of FEHB benefits as reported in Congressional Budget Office, "The President's Proposal to Accrue Retirement Costs for Federal Employees."
22. This proposal has no estimated savings for FY 2020 but would likely generate significant savings over time as it would cause federal workers to desire lower-cost plans and would increase competition among FEHB plans. A CBO analysis of a similar proposal for a flat FEHB contribution alongside limited contribution growth (something that would come naturally through competition and choice under this proposal by Heritage experts) projected savings of $42 billion over 10 years, or $4.2 billion per year. See Congressional Budget Office, *Reducing the Deficit: Spending and Revenue Options*, March 2011, p. 37, https://www.cbo.gov/sites/default/files/112th-congress-2011-2012/reports/03-10-reducingthedeficit.pdf (accessed April 6, 2019).
23. This proposal has no savings in FY 2020 because the PBGC is not a taxpayer-financed entity, and additional funds would be used to improve the solvency of the PBGC and multiemployer pension plans as opposed to reducing taxpayer costs. However, this would increase the probability that pensioners would receive more or all of what their pension plans promised them and what the PBGC is supposed to insure. This proposal would also reduce the risk of a taxpayer bailout amounting to hundreds of billions of dollars.
24. Estimated savings of $2.9 billion in FY 2020 come from Congressional Budget Office, *Options for Reducing the Deficit: 2019–2028*, p. 115.
25. Estimated savings of $742 million for FY 2020 are based on a 20 percent reduction in the total overpayment level of $3.708 billion as reported in U.S. Department of Labor, *Benefit Accuracy Measurement State Data Summary: Improper Payment Information Act Performance Year 2017*, p. 10, https://oui.doleta.gov/unemploy/bam/2017/IPIA_2017_Benefit_Accuracy_Measurement_Annual_Report.pdf (accessed April 6, 2019). Heritage experts assume that the 2017 overpayment level remains constant through FY 2020. All $742 million represents mandatory savings.
26. Ibid. "This report is designed to provide information gathered by the BAM [Benefit Accuracy Measurement] program for Improper Payment Information Act (IPIA) performance year (PY) 2017." Ibid., p. 1.

27. Estimated savings of $531 million in FY 2020 are based on a Social Security Administration estimate of overpayments in the SSI program that includes $3.542 billion due to "Inability to Access Data." Heritage estimates that this proposal would reduce those overpayments by 15 percent in the first year, resulting in $531 million in savings in FY 2020. Heritage experts assume that FY 2017 overpayments remain constant through FY 2020. See Social Security Administration, "Reducing Improper Payments: Major Causes of SSI Improper Payments: Improper Payment Root Cause Category Matrix for FY 2017," https://www.ssa.gov/improperpayments/SSI_majorCauses.html (accessed April 6, 2019). All $531 million represents mandatory savings.
28. Estimated savings of $2.5 billion for FY 2020 come from The Heritage Foundation's Social Security Model. Savings are based on an average overpayment rate of 0.44 percent, which is equal to the average overpayment rate for FY 2013–FY 2017 as found in Social Security Administration, "Reducing Improper Payments: Major Causes of SSI Improper Payments: Improper Payment Root Cause Category Matrix for FY 2017." All $2.5 billion represents mandatory savings.
29. Estimated savings of $20.26 billion for FY 2020 include $23.56 billion per year in savings from reducing fraud and limiting eligibility in the EITC and ACTC and an added cost of $3.3 billion per year for reducing marriage penalties in the EITC, for a net savings of $20.26 billion. Estimates come from Robert Rector and Jamie Bryan Hall, "Reforming the Earned Income Tax Credit and Additional Child Tax Credit to End Waste, Fraud, and Abuse and Strengthen Marriage," Heritage Foundation *Backgrounder* No. 3162, November 16, 2016, https://www.heritage.org/sites/default/files/2018-04/BG3162.pdf. This report provides estimated savings for FY 2015. Heritage experts conservatively assume a similar level of savings in FY 2020 with the exception of the savings from the child tax credit, which doubled in 2019 and beyond (including a higher refundable portion) as a result of the Tax Cuts and Jobs Act. The Joint Committee on Taxation estimated that the TCJA's child tax credit provisions increased the cost of the CTC by 126 percent in 2020. See Joint Committee on Taxation, U.S. Congress, "Estimated Budget Effects of the Conference Agreement for H.R.1, The 'Tax Cuts and Jobs Act,' Fiscal Years 2018–2017," JCX-67-17, December 18, 2017, https://www.jct.gov/publications.html?func=startdown&id=5053 (accessed April 6, 2019), and Joint Committee on Taxation, U.S. Congress, *Estimates of Federal Tax Expenditures for Fiscal Years 2016–2020*, JCX-3-17, January 30, 2017, https://www.jct.gov/publications.html?func=startdown&id=4971 (accessed April 6, 2019). Not all taxpayers experienced the same increase in the value of their child tax credit, however. Some low-income families may not receive a full doubling of the credit, and some higher-income families that received only a partial or no child tax credit before will receive the full $2,000 value in 2020. Although most lower-income families that would be affected by this proposal will experience a doubling of their child tax credit value, we conservatively estimate that the child tax credit provisions in this proposal will increase the value of the credit for families by 60 percent, from $7.6 billion (as reported in the November 2016 Heritage report) to $12.2 billion in 2020. All $20.26 billion in savings represents mandatory spending.
30. Estimated savings of $2.360 billion in FY 2020 are based on net projected spending of $47.209 billion for FY 2020 (including $47.601 billion in discretionary spending and a net offsetting revenue of $392 million from mandatory HUD spending categories) as reported in Congressional Budget Office, "The Budget and Economic Outlook: 2019 to 2029: Budget and Economic Data: Spending Projections, by Budget Account," January 2019, https://www.cbo.gov/about/products/budget-economic-data#9 (accessed April 6, 2019). We propose a 10-year, phased-in elimination of federal housing programs excluding those for low-income disabled and elderly populations. According to the CBO, approximately 50 percent of housing assistance goes to elderly and disabled recipients. See Table 2, "Characteristics of Households Receiving Housing Choice Vouchers, Project-Based Rental Assistance, or Public Housing Assistance, 2013," in Congressional Budget Office, *Federal Housing Assistance for Low-Income Households*, September 2015, p. 43, https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/50782-lowincomehousing-onecolumn.pdf (accessed April 6, 2019). Thus, savings of $2.360 billion for FY 2020 are based on reducing half of HUD's budget by 10 percent.
31. Estimated savings of $11 billion in FY 2020 come from Congressional Budget Office, *Options for Reducing the Deficit: 2019 to 2028*, p. 95. The option to "eliminate Supplemental Security Benefits for Disabled Children" includes $1 billion in discretionary spending and $10 billion in mandatory spending in FY 2020, assuming that the option takes effect at the beginning of FY 2020 (October 2019).
32. Heritage experts do not include any savings for this proposal because the federal funding stream for TANF is fixed. However, stronger work requirements would likely reduce federal outlays significantly over the long run.
33. Savings of $1.77 billion for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
34. Savings of $725 million for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 39, https://www.whitehouse.gov/wp-content/uploads/2019/03/msar-fy2020.pdf (accessed April 7, 2019).
35. Savings of $3.690 billion for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
36. Savings of $3.3 billion for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 50.
37. Estimated savings of $440 million for FY 2020 are based on an unpublished preliminary score from the Congressional Budget Office. The $440 million represents the first year of implementation. Over subsequent years, the savings would grow, eventually approaching $1 billion per year in the 10th year. All $440 million represents mandatory savings.
38. U.S. Department of Agriculture, Food and Nutrition Service, Supplemental Nutrition Assistance Program, Guidance on Non-Citizen Eligibility, June 2011, p. 47, https://fns-prod.azureedge.net/sites/default/files/snap/Non-Citizen_Guidance_063011.pdf (accessed April 7, 2019).
39. Estimated savings of $1.006 billion for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2020 spending remains constant at FY 2019 levels. Savings equal 10 percent of the estimated FY 2020 spending level based on a 10-year phaseout of the program.

40. Estimated savings of $8.836 billion for FY 2020 are based on FY 2019 grant levels under the Every Student Succeeds Act as reported in U.S. Department of Education, "Department of Education Fiscal Year 2019 Congressional Action," October 9, 2018, https://www2.ed.gov/about/overview/budget/budget19/19action.pdf (accessed April 7, 2019). This includes elimination of spending on most non-Title I, non-Title VI, and non-Title VII funds under the Elementary and Secondary Education Act ($7.042 billion) and a 10 percent reduction in Title I and Title VII spending ($1.794 billion).
41. Estimated savings of –$1.2 billion (in other words, an additional cost of $1.2 billion) for FY 2020 are based on Heritage experts' estimates as reported in Jamie Bryan Hall and Mary Clare Reim, "Time to Reform Higher Education Financing and Accreditation," Heritage Foundation *Issue Brief* No. 4668, March 28, 2017, https://www.heritage.org/sites/default/files/2017-03/IB4668.pdf. The estimated cost of this proposal in the next year includes its effects on increasing total Pell Grants and federal student loans by making them accessible to students across a wider range of education options. (Additional loans cost the federal government money because we use fair-value accounting, a more accurate measure of federal loans' true costs.) Implementing this proposal in conjunction with the proposals to place strict lending caps on federal student aid programs and eliminate the PLUS Loan program would mitigate its costs in the short run. In the long run, this proposal could lead to savings by increasing competition and driving down college costs.
42. H.R. 4274, Higher Education Reform and Opportunity Act of 2017, 115th Cong., introduced November 7, 2017, https://www.congress.gov/bill/115th-congress/house-bill/4274/all-info (accessed April 8, 2019), and S. 2228, Higher Education Reform and Opportunity Act of 2017, 115th Cong., introduced December 13, 2017, https://www.congress.gov/bill/115th-congress/senate-bill/2228 (accessed April 8, 2019).
43. Estimated savings of $2.3 billion for FY 2020 are based on Heritage experts' estimates as reported in Hall and Reim, "Time to Reform Higher Education Financing and Accreditation."
44. Estimated savings of $5.5 billion for FY 2020 are based on Heritage experts' estimates as reported in Hall and Reim, "Time to Reform Higher Education Financing and Accreditation."
45. Estimated savings of $7.291 billion for FY 2020 are based on the CBO's most recent January 2019 baseline spending projections for mandatory student financial assistance as reported in Congressional Budget Office, "The Budget and Economic Outlook: 2019 to 2029: Budget and Economic Data: Spending Projections, by Budget Account," January 2019, https://www.cbo.gov/about/products/budget-economic-data#9 (accessed April 6, 2019). All $7.291 billion represents mandatory savings.
46. Estimated savings of $700 million for FY 2020 come from Congressional Budget Office, Options for Reducing the Deficit: 2019–2028, p. 115. Heritage uses the "fair-value method" of accounting as this is a more accurate method. All $700 million in savings represents mandatory spending.
47. Estimated savings of $370 million for FY 2020 are based on Congressional Budget Office, "Proposals for Education—CBO's Estimate of the President's Fiscal Year 2019 Budget," https://www.cbo.gov/system/files?file=115th-congress-2017-2018/dataandtechnicalinformation/53901-education.pdf (accessed April 7, 2019). The CBO includes $370 million in FY 2019 savings from "Eliminat[ing] Public Service Loan Forgiveness." It also assumes that FY 2019 is the first year of implementation, so Heritage experts apply the FY 2019 savings level to FY 2020. Savings would increase significantly over time, as more borrowers would no longer be eligible for forgiveness. (The CBO score assumes that the policy applies to new borrowers after implementation of the proposal.)
48. Congressional Budget Office, "H.R. 4508, Promoting Real Opportunity, Success, and Prosperity Through Education Reform Act, as Ordered Reported by the House Committee on Education and the Workforce on December 13, 2017," Cost Estimate, February 6, 2018, pp. 7 and 17, https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/hr4508.pdf (accessed April 8, 2019).
49. Heritage experts do not include any estimated savings for this proposal because its fiscal impact would depend on a range of behavioral responses from both educational institutions and students that cannot reasonably be predicted.
50. Estimated savings of $1.2 billion for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 20.
51. U.S. Government Accountability Office, K–12 Education: Education Needs to Improve Oversight of Its 21st Century Program, GAO-17-400, April 2017, p. 17, https://www.gao.gov/assets/690/684314.pdf (accessed April 8, 2019).
52. U.S. Department of Education, Institute of Education Sciences, National Center for Educational Evaluation and Regional Assistance, When Schools Stay Open Late: The National Evaluation of the 21st Century Community Learning Centers Program: Final Report, April 2005, p. xii, https://www2.ed.gov/rschstat/eval/other/cclcfinalreport/cclcfinal.pdf (accessed April 8, 2019).
53. Estimated savings of $190 million for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 21.
54. U.S. Department of Education, Office of Elementary and Secondary Education, EDTASS: Striving Readers Comprehensive Literacy (SRCL), *5.2—National Performance Report: 2014–15*, September 2016, p. ix, https://www2.ed.gov/programs/strivingreaders-literacy/performance.html (accessed April 7, 2019).
55. Estimated savings of $840 million for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 22.
56. Estimated savings of $360 million for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 25.
57. Estimated savings of $1.17 billion for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 31.
58. U.S. Department of Education, Student Support and Academic Enrichment Program, "Program Description," https://www2.ed.gov/programs/ssae/index.html (accessed April 9, 2019).

59. Estimated savings of $2.056 billion for FY 2020 are based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 32.
60. Ibid.
61. Erik A. Hanushek, "The Evidence on Class Size," Chapter 7 in *Earning and Learning: How Schools Matter*, ed. Susan E. Mayer and Paul E. Peterson (Washington: Brookings Institution Press, and New York: Russell Sage Foundation, 1999), p. 132, http://hanushek.stanford.edu/sites/default/files/publications/Hanushek%201999%20EvidenceonCLassSize.pdf (accessed April 7, 2019).
62. Estimated savings of $318 million for FY 2020 include $118 million from eliminating the Supporting Effective Educator Development and Teacher Quality Partnerships, based on Office of Management and Budget, *Fiscal Year 2020 Budget of the U.S. Government: Major Savings and Reforms*, p. 33, and $200 million from eliminating Teacher and School Leader Incentive Grants, for which $200 million is requested in U.S. Department of Education, *Innovation and Improvement, Fiscal Year 2020 Budget Request*, p. F-7, https://www2.ed.gov/about/overview/budget/budget20/justifications/f-ii.pdf (accessed April 7, 2019).
63. Estimated savings of $445 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant for FY 2020.
64. Corporation for Public Broadcasting, *Corporation for Public Broadcasting Appropriation Request and Justification FY 2019 and FY 2021*, p. 2, https://www.cpb.org/files/appropriation/justification-FY19-and-FY21.pdf (accessed April 7, 2019).
65. Chart, "Public Radio Station Revenues (FY 2017)," in National Public Radio, "Public Radio Finances: Member Station Revenues," http://www.npr.org/about-npr/178660742/public-radio-finances (accessed April 7, 2019).
66. Estimated savings of $786.7 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
67. Charities Aid Foundation, *CAF World Giving Index 2018*, October 2018, pp. 18 and 22, https://www.cafonline.org/docs/default-source/about-us-publications/caf_wgi2018_report_webnopw_2379a_261018.pdf?sfvrsn=c28e9140_4 (accessed April 7, 2019).
68. Estimated savings of $242 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending remains constant in FY 2020.
69. Institute of Museum and Library Services, "Transforming Communities: Institute of Museum and Library Services Strategic Plan 2018–2022," January 2018, p. 9, https://www.imls.gov/sites/default/files/publications/documents/imls-strategic-plan-2018-2022.pdf (accessed April 7, 2019).
70. Estimated savings of $208.7 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019. Heritage experts assume that FY 2019 spending is reduced by 20 percent.
71. Estimated savings of $65 million for FY 2020 are based on the CBO's most recent January 2019 baseline spending projections as reported in Congressional Budget Office, "The Budget and Economic Outlook: 2019 to 2029: Budget and Economic Data: Spending Projections, by Budget Account," January 2019, https://www.cbo.gov/about/products/budget-economic-data#9 (accessed April 6, 2019). The CBO projects $130 million in spending for FY 2020, and this proposal reduces that amount by 50 percent.
72. Ryan T. Anderson, "Obama Unilaterally Rewrites Law, Imposes Transgender Policy on Nation's Schools," The Daily Signal, May 13, 2016, http://dailysignal.com/2016/05/13/obama-unilaterally-rewrites-law-imposes-transgender-policy-on-nations-schools/.
73. Samantha Harris, "Campus Judiciaries on Trial: An Update from the Courts," Heritage Foundation *Legal Memorandum* No. 165, October 6, 2015, http://www.heritage.org/education/report/campus-judiciaries-trial-update-the-courts.
74. Ryan T. Anderson, "Trump Right to Fix Obama's Unlawful Transgender School Policy," The Daily Signal, February 22, 2017, http://dailysignal.com/2017/02/22/trump-right-to-fix-obamas-unlawful-transgender-school-policies/.
75. Hans von Spakovsky and Elizabeth Slattery, "Betsy DeVos Stands Up for Due Process Rights in Campus Sexual Assault Cases," The Daily Signal, September 8, 2017, http://dailysignal.com/2017/09/08/betsy-devos-stands-due-process-rights-campus-sexual-assault-cases/.
76. Estimated savings of $115.864 billion for FY 2020 are based on estimates from Heritage Foundation staff using the Heritage Center for Data Analysis Health Model, as estimated in 2018 for FY 2019. Heritage experts assume that FY 2020 savings remain the same as estimated for FY 2019. All $115.864 billion in savings represents mandatory spending.
77. Estimated savings of $0 in FY 2020 are based on estimates from Heritage Foundation staff using the Heritage Center for Data Analysis Health Model. Although this policy does not generate savings in FY 2020, it would result in an estimated $409.9 billion in total mandatory savings over the FY 2020–FY 2029 period, and these savings are included in the recommended mandatory entitlement spending levels.
78. Estimated savings of $1.4 billion for FY 2020 are based on a CBO score of a policy that would consolidate and reduce federal payments for graduate medical education at teaching hospitals. Policies of establishing a discretionary grant program with growth limited either to estimates from the CPI-U or to estimates from the CPI-U minus one percentage point would produce $1.4 billion in savings in FY 2020. See Congressional Budget Office, *Options for Reducing the Deficit: 2019 to 2028*, p. 86. All $1.4 billion represents mandatory savings. The CBO estimates 10-year savings totaling $34 billion–$39.5 billion.
79. Estimated savings of $0 in FY 2020 are based on U.S. Department of Health and Human Services, *Putting America's Health First: FY 2020 President's Budget for HHS*, p. 86, https://www.hhs.gov/sites/default/files/fy-2020-budget-in-brief.pdf (accessed April 7, 2019).

80. Table 6C, "Work-Eligible Individuals with Hours of Participation by Work Activity as a Percent of the Total Number of Work-Eligible Individuals, Monthly Average, Fiscal Year 2017," in U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, "Work Participation Rates—Fiscal Year 2017, Temporary Assistance for Needy Families (TANF) and Separate State Programs–Maintenance of Effort (SSP–MOE) Work Participation Rates and Engagement in Work Activities, Fiscal Year (FY) 2017," published June 26, 2018, https://www.acf.hhs.gov/sites/default/files/ofa/wpr2017table06c.pdf (accessed April 7, 2019).
81. For additional detail, see Robert Rector and Rachel Sheffield, "Setting Priorities for Welfare Reform," Heritage Foundation *Issue Brief* No. 4520, February 24, 2016, http://thf-reports.s3.amazonaws.com/2016/IB4520.pdf, and Rachel Sheffield, "Welfare Reform and Upward Mobility Act Can Restart Welfare Reform," Heritage Foundation No. 4619, October 28, 2016, http://thf-reports.s3.amazonaws.com/2016/IB4619.pdf.
82. Melanie Israel, "The Pro-Life Agenda: A Progress Report for the 115th Congress and the Trump Administration," Heritage Foundation *Backgrounder* No. 3280, January 24, 2018, https://www.heritage.org/civil-society/report/the-pro-life-agenda-progress-report-the-115th-congress-and-the-trump.
83. U.S. Conference of Catholic Bishops, Secretariat of Pro-Life Activities, "HHS Refuses to Enforce Weldon Amendment," June 24, 2016, http://www.usccb.org/issues-and-action/religious-liberty/conscience-protection/upload/HHS-Refuses-to-Enforce-Weldon-Amendment-FACT-SHEET.pdf (accessed April 7, 2019).
84. See Lindsey M. Burke, "Military Families Deserve Education Choice: A Response to Carol Burris," Heritage Foundation *Commentary,* April 3, 2018, https://www.heritage.org/education/commentary/military-families-deserve-education-choice-response-carol-burris; Jonathan Butcher, "Giving Every Child in a Military Family the Chance for a Bright Future: Education Savings Accounts, Impact Aid, and Estimated Fiscal Impacts on District Schools," Heritage Foundation *Issue Brief* No. 4824, March 5, 2018, https://www.heritage.org/sites/default/files/2018-03/IB4824_0.pdf; Lindsey M. Burke and Anne Ryland, "A GI Bill for Children of Military Families: Transforming Impact Aid into Education Savings Accounts," Heritage Foundation *Backgrounder* No. 3180, June 2, 2017, https://www.heritage.org/sites/default/files/2017-10/BG3180.pdf; Lindsey M. Burke and Anne Ryland, "Modernizing the Federal Impact Aid Program: A Path Toward Educational Freedom for Military Families and Other Federally Connected Children," Heritage Foundation *Issue Brief* No. 4751, August 10, 2017, https://www.heritage.org/sites/default/files/2017-08/IB4751_0.pdf; and Paul DiPerna, Lindsey M. Burke, and Anne Ryland, *Surveying the Military: What America's Servicemembers, Veterans, and Their Spouses Think About K–12 Education and the Profession*, EdChoice, October 2017, https://www.edchoice.org/wp-content/uploads/2017/10/Surveying-The-Military-by-Paul-DiPerna-Lindsey-M-Burke-and-Anne-Ryland-1.pdf (accessed April 7, 2019).