



May 9, 2012

FY 2013 CJS Bill on Floor

This week, the House is considering the FY 2013 Commerce-Justice-Science bill. The bill provides a spending level of \$51.1 billion, \$1.6 billion (or 3.1%) less than last year. The House Appropriations Committee approved the 302(b) allocation for the twelve appropriations bills that totals \$1.028 trillion—consistent with the 302(a) allocation provided under the FY 2013 [House-passed budget resolution](#). This allocation is a \$19 billion cut compared to the *cap* under the Budget Control Act, and a \$15 billion cut compared to last year. The RSC budget’s 302(a) allocation would have been \$931 billion (\$97 billion lower).

FY 2013 CJS BY THE NUMBERS:

In Millions of Dollars

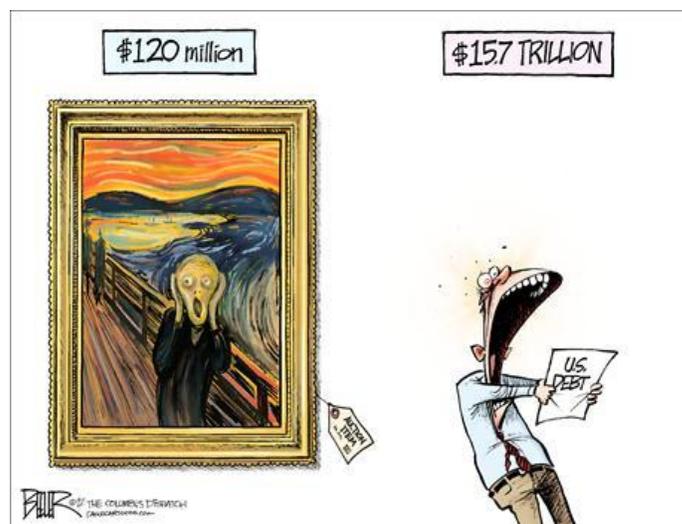
	FY12	FY13 Request	FY13 Committee	Cmte v. Request	Cmte v. FY12
Appropriations	52,744	51,862	51,131	-731	-1,613
Emergency Approps	200	0	0	-200	-200
TOTAL	52,944	51,862	51,131	-931	-1,813

The gross spending total is in excess of \$60 billion. The figure is brought down to \$51.1 billion primarily by limiting the amount of payments from the Crime Victim’s Fund to \$720 million in FY 2013. This is scored as an \$8.5 billion savings that counts against other spending in the bill to bring the total figure in line with the 302(b) allocation. Similar provisions have been included in the CJS bills for more than a decade. It can be argued that this provision is a budget gimmick since money in excess of the cap for FY 2013 would not have been spent anyway.

\$316 Billion Reconciliation and Sequester Replacement Bills on Floor

Tomorrow, the House will consider legislation that would turn off the \$97 billion of sequestration for FY 2013 under the Budget Control Act and replace it with mandatory spending savings. The legislation reduces mandatory spending by \$20 billion through FY 2013, \$137 billion over five years, and \$316 billion over ten years. The committee notes this replaces 43% of the foregone savings from sequestration in FY 2013, 177% of the savings over five years, and more than 400% of the foregone savings over ten years. Notable provisions included in this savings figure:

- \$22 billion by eliminating the Dodd-Frank “too big too fail” fund
- \$7.6 billion by requiring a Social Security number to receive the refundable child tax credit
- Approximately \$60 billion from repealing various Obamacare provisions
- \$6 billion from terminating “stimulus” provided SNAP increases 16 months early
- \$80 billion from increasing pension contributions by 5% for federal employees to make more in line with private sector
- \$17 billion from repealing the Social Services Block Grant
- \$60 billion from medical liability reform
- \$12 billion from eliminating categorical eligibility for SNAP (to make sure recipients are eligible)



THE WALL STREET JOURNAL.

The Job Training Mess Wall Street Journal Editorial

President Obama was on the stump in Ohio last month claiming to have discovered a successful federal job training program in the town of Elyria. This deserves congratulations. As millions of unemployed Americans can attest, a federal job training program that puts people back to work is hard to find.

There are no fewer than 49 federal job training programs administered by nine agencies that cost taxpayers some \$14.5 billion in 2010. A General Accountability Office performance audit in 2011 looked at fiscal year 2009 and determined that "only 5 of the 47 programs have had impact studies that assess whether the program is responsible for improved employment outcomes."

Of the five programs studied, the positive effect "tended to be small, inconclusive, or restricted to short-term impacts." A 2011 Department of Labor study found that the benefits of job training under one of the most extensive efforts, the 1998 Workforce Investment Act, "were small or nonexistent."

GAO reports in the 1990s, in 2000 and in 2003 had similar conclusions, finding that multiple programs duplicated efforts, ran up costs and produced few benefits. The reports did little to stem mission creep.

From 2003 to 2009, Congress added three more programs and spending rose by \$5 billion. Don't laugh, but two *more* programs have been added since, though spending is down slightly because of the end of the 2009 stimulus.

Senator Tom Coburn (R., Ok.), who commissioned the 2011 GAO study, summarized the waste, fraud and graft in a report of his own. Among the incidents: "a Montana trade union tasked with managing a half-million dollar federal job re-training grant" that "was found to be spending four times as much on their own salaries than they were on actual training displaced workers."

He described millions spent on training for "green" jobs that didn't exist and the misuse of funds for casino trips and pet care. Instead of throwing billions at these programs, Senator Coburn suggested cutting taxes to incentivize the kind of innovators who create real jobs.

Mr. Obama would rather do the programs. Speaking what he routinely calls "the truth" at Lorain County Community College in Ohio, Mr. Obama said Americans will "lose out" on this job training if the infamous House Republican 2013 budget is passed

In truth, Paul Ryan's House budget would continue government support for job training, albeit with reforms that would reduce duplication and seek better results. Here's the budget resolution's flame-throwing language: "A streamlined approach with increased oversight and accountability will not only provide administrative savings, but improve access, choice, and flexibility to enable workers and job seekers to respond quickly and effectively to whatever specific career challenges they face."

One current program cited by the Ryan budgeters is the BlueGreen Alliance—an advocacy group that combines labor unions and environmentalists—which received a \$5 million job-training grant under the stimulus. The Budget Committee notes that "despite having spent nearly \$3 million so far, [the Alliance] has only placed 16 workers in jobs retained longer than six months." How could reformers possibly do worse?