



August 07, 2012

The Honorable Harold Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
H-307 Capitol Building
Washington, D.C. 20515

The Honorable Norm Dicks
Ranking Member
Committee on Appropriations
U.S. House of Representatives
H-307 Capitol Building
Washington, D.C. 20515

Dear Chairman Rogers and Ranking Member Dicks:

On behalf of the 1.2 million active and retired members of the United Steelworkers (USW), I write to express our union's dismay at the current failure to bring a bi-partisan Labor-HHS appropriations bill to final passage. Our nation's labor force needs significant investment and our healthcare system needs consistent monitoring and improvement. The regular appropriations process can set an important path forward by allowing for significant strides in improving these critical economic areas. The highly partisan sub-committee bill passed July 18th, however, does quite the opposite and, instead, significantly reduces the opportunity of shared prosperity for all Americans.

The sub-committee bill lacks the commitment to economic fairness that marked years of previous appropriations processes. Overall, this highly partisan bill cuts funding to critical labor, health and education programs by 4.3 percent (\$6.8 billion) from the levels the House and Senate agreed to with the passage of last year's Budget Control Act.

These potential cuts in domestic discretionary spending will cost American jobs and will under-equip our labor force in competing with an increasingly global market. The bill would cut

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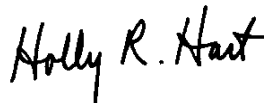
funding for Training and Employment Services by nearly \$200 million, amounting to a 4 percent reduction below current funding levels. These levels of cuts undermine significant programs which assist workers in difficult times. Cuts such as the \$100 million reduction to agencies which provide National Emergency Grants will weaken the ability of workers all over the country to transition to new work after mass layoffs.

The Labor-HHS appropriations bill passed by the sub-committee not only fails the unemployed through dramatic cuts in program funding but continues the assault on the American labor movement. Riders defunding enforcement of recent community of interest bargaining and denying workers a right to a harassment-free election process undermines both basic democratic rights and collective bargaining rights.

The bill also defunds significant healthcare cost containment gains by preventing the Department of Health and Human Services (HHS) from implementing the requirement that insurers spend 80 or 85 percent of premium income on healthcare for their subscribers, rather than marketing and overhead to increase shareholder profit. The legislation limits the ability of HHS to stop insurers from denying coverage to people with pre-existing conditions. Additionally, a \$1.590 billion rescission from the Medicare and Medicaid Innovation Fund, which supports development and testing of innovative service delivery and payment models, is estimated to increase federal deficit spending by \$295 million if this legislation were made law.

Our Union strongly urges you to oppose the current sub-committee bill and encourages you to put working families first by increasing investment in job training, strengthening bargaining rights, and improving our healthcare system should the bill come before the full committee for a mark-up.

Sincerely,



Holly R. Hart
Assistant to the International President
Legislative Director

Cc: House Committee on Appropriations