The Committee on Appropriations reports the bill (S. 1356) making appropriations for Departments of Labor, Health and Human Services, and Education and related agencies for the fiscal year ending September 30, 2004, and for other purposes, reports favorably thereon and recommends that the bill do pass.

**Amount of budget authority**

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<td>Budget estimates, 2004</td>
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**The bill as reported to the Senate:**

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<tr>
<td>Over the budget estimates for 2004</td>
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**SUMMARY OF BUDGET ESTIMATES AND COMMITTEE RECOMMENDATIONS**

For fiscal year 2003, the Committee recommends total budget authority of $472,167,787,000 for the Departments of Labor, Health and Human Services, and Education, and Related Agencies. Of this amount, $137,601,000,000 is current year discretionary funding.

**OVERVIEW AND BILL HIGHLIGHTS**

The Labor, HHS, and Education and Related Agencies bill constitutes the largest of the non-defense Federal appropriations bills being considered by Congress this year. It is the product of extensive deliberations, driven by the realization that no task before Congress is more important than safeguarding and improving the health and well-being of all Americans. This bill is made up...
of over 300 programs, spanning three Federal Departments and numerous related agencies. But the bill is more than its component parts. Virtually every element of this bill reflects the traditional ideal of democracy: that every citizen deserves the right to a basic education and job skills training; protection from illness and want; and an equal opportunity to reach one's highest potential.

This bill at the same time provides a safety net of social protections for the needy while stimulating advances in human achievement and the life sciences. At its core, this bill embodies those defining principles by which any free society must be guided: compassion for the less fortunate; respect for family and loved ones; acceptance of personal responsibility for one's actions; character development; and the avoidance of destructive behavior.

**HIGHLIGHTS OF THE BILL**

*Job Training-* The Committee recommendation includes $5,115,588,000 for job training programs, an increase of $163,602,000 over the budget request.

*Worker Protection-* The Committee bill includes $1,493,485,000 to ensure the health and safety of workers, including $463,324,000 for the Occupational Safety and Health Administration and $270,711,000 for the Mine Safety and Health Administration. The recommendation is an increase of $33,841,000 over the 2003 level.

*Child Labor-* The Committee bill includes $108,000,000 for activities designed to end abusive child labor. This is $95,730,000 above the budget request.

*National Institutes of Health-* A total of $27,982,604,000 is recommended to fund biomedical research at the 27 Institutes and Centers that comprise the NIH. This represents an increase of $1,000,000,000 over the fiscal year 2003 level and $318,613,000 over the budget request.

*Centers for Disease Control-* The Committee bill provides $4,432,496,000 for the Centers for Disease Control and Prevention, an increase of $147,856,000 over the fiscal 2003 level. Included in this amount is $801,844,000 for chronic disease prevention and health promotion of which $50,000,000 for obesity prevention.

*Physical Activity and Nutrition-* The Committee recommendation includes a total of $944,702,000 for programs to increase physical activity, improve nutrition, and reduce obesity and overweight, an increase of $34,221,000 over the fiscal year 2003 appropriation.

*Infectious Disease Initiative-* The Committee bill includes $2,138,960,000 for infectious disease research, prevention and control. Included in this amount is $422,760,000,000 for infectious disease control at the Centers for Disease Control of which $50,000,000 is targeted to areas where new infectious diseases tend to occur and $25,000,000 for containment of disease outbreaks such as SARS and monkeypox. For emerging infectious diseases at the National Institutes of Health, the Committee has included $1,686,200,000, an increase of $599,000,000 over the fiscal year 2003 appropriation.

*Preventing and Reversing Heart Disease-* The Committee bill includes $5,758,686,000 for research and prevention programs to address heart and related diseases. This amount is $166,497,000 over the fiscal year 2003 level. Included in this amount is $2,897,595,000 for
research programs at the National Heart, Lung and Blood Institute and $45,963,000 for programs at the Centers for Disease Control.

*Health Centers*- The recommendation includes $1,627,164,000 for health centers, the same as the budget request and $122,358,000 over the fiscal 2003 level.

*AIDS*- The Committee bill includes $6,058,688,000 for AIDS research, prevention, and services. This includes $2,041,599,000 for Ryan White programs, an increase of $23,634,000 over the fiscal year 2003 level, $932,189,000 for AIDS prevention programs at the Centers for Disease Control and Prevention and $2,869,900,000 for AIDS research programs at the National Institutes of Health. For global AIDS programs, the bill includes $90,000,000 for international mother to child transmission prevention and $150,000,000 for the Global Fund for AIDS.

*Bioterrorism*- The Committee bill includes $1,896,149,000 to fund efforts to address bioterrorism threats.

*Substance Abuse*- The Committee bill provides $3,274,590,000 for substance abuse prevention and treatment programs. Included in this amount is $2,051,803,000 for substance abuse treatment, $194,306,000 for substance abuse prevention and $855,711,000 for mental health programs.

*Head Start*- The Committee recommendation includes $6,815,570,000 for the Head Start Program. This represents an increase of $148,037,000 over the 2003 level and is the same as the request.

*Low-income Home Energy Assistance State Grants*- The Committee recommends $2,000,000,000 for heating and cooling assistance for low-income individuals and families, the same as the budget request and $311,050,000 more than the 2003 level.

*Persons With Disabilities*- To promote independent living in home and community-based settings, the Committee has included $6,671,308,000 for services to persons with disabilities. This includes $20,824,000 for programs authorized under the Assistive Technology Act. Also included is $47,333,000 for the Office of Disability Policy at the Department of Labor, $15,000,000 for Disabled Voter Services and $40,000,000 for Real Choice Systems Change Grants through the Center for Medicaid and Medicare Services.

*Education for the Disadvantaged*- The Committee has provided $14,103,356,000 in grants to enhance educational opportunities for disadvantaged children, an increase of $365,083,000 over the fiscal year 2003.

*Teacher Quality*- The Committee recommends $2,850,000,000 for State grants to improve teacher quality. This is the same as the budget request.

*English Language Acquisition*- The Committee recommends $665,000,000 for bilingual education, the same as the budget request.

*Student Financial Aid*- The Committee recommends $14,174,115,000 for student financial assistance, the same level provided in 2003. The amount provided for the Pell Grant Program will allow for a maximum grant award of $4,050.
Higher Education Initiatives- The Committee bill provides $1,974,247,000 for initiatives to provide greater opportunities for higher education, including $840,000,000 for Federal TRIO programs and $300,000,000 for GEAR UP.

Education for Individuals With Disabilities- The Committee bill provides $11,027,464,000 to help ensure that all children have access to a free and appropriate education, and that all infants and toddlers with disabilities have access to early intervention services. This represents an increase of $993,547,000 over the 2003 level and $337,360,000 above the budget request.

Rehabilitation Services- The bill recommends $3,004,360,000 for rehabilitation services, an increase of $50,727,000 above the amount provided in 2003. These funds are essential for families with disabilities seeking employment. The Committee restored funding for several important programs proposed for elimination, such as Supported Employment State Grants, Projects with Industry, Recreational programs and programs for migrant and seasonal farmworkers.

Services for Older Americans- For programs serving older Americans, the Committee recommendation totals $2,924,508,000, an increase of $41,199,000 over the fiscal year 2003 level. This recommendation includes $216,619,000 for senior volunteer programs, $442,306,000 for community service employment for older Americans, $355,673,000 for supportive services and centers, $149,025,000 for family caregiver support programs and $716,974,000 for senior nutrition programs. For the medical research activities of the National Institute on Aging, the Committee recommends $1,031,411,000. The Committee recommendation also includes $12,500,000 for the Medicare insurance counseling program.

Corporation for Public Broadcasting- The Committee bill recommends an advance appropriation for fiscal year 2006 of $400,000,000 for the Corporation for Public Broadcasting. This amount is $10,000,000 over advance appropriation provided in fiscal year 2005. In addition, the Committee bill includes $55,000,000 for conversion to digital broadcasting and $10,000,000 for the replacement project of the interconnection system in fiscal year 2004 funding.

[Note, the particulars of each section have been omitted for space but the Disability Initiative has been included with its specific reference to Olmstead and Real Choice/System Change Grant The section on Disability has a subsection called “Community Integration”. I also copied in the Section on Rehabilitation Services and Disability Research]

DISABILITY INITIATIVE

It will soon be 13 years since Congress passed the Americans with Disabilities Act. During that time, the Nation has made much progress in advancing the civil rights of individuals with disabilities. Americans living with disabilities are exercising their freedoms with continually expanding opportunities and a growing acceptance by the public at large. Services like curb cuts and closed captioning, once envisioned solely for use by individuals with disabilities, have proven a benefit to us all. And as the barriers have fallen for people with disabilities, the expertise, energy, and determination that these Americans have contributed to society has grown significantly.

However, it is important to remember that these Americans still face significant challenges in their effort to participate fully in American life. The Committee strongly believes that it has a unique responsibility to ensure that all Americans experience the promise that has defined our
Nation from its very inception—the promise of opportunity. The programs in this bill represent our effort to fulfill that responsibility. Many of them relate specifically to breaking down the barriers that impede the quality of life for Americans with disabilities. In this year's bill, the Committee has made a special effort to target resources to a few of the programs that are at a critical turning point in our national debate on disability. In addition to administrative funds allocated to the Social Security Administration for the processing of disability claims, the Committee dedicates $16,529,841,000 of its allocation to its major disability programs. A notable few are listed here.

**Education**

The Individuals with Disabilities Education Act [IDEA] was first enacted in 1975. This landmark legislation was created to help States and school districts meet their legal obligations to provide children with disabilities with a free and appropriate public education. In this statute, Congress recognized that school districts would incur higher costs in educating children with disabilities. Despite the limited resources available in this bill, the Committee increased funding for IDEA grants to local school districts by $984,000,000.

**Income**

In 2003, the Social Security Administration will distribute benefits to 5.5 million workers with disabilities and 1.7 million dependents. These benefits are an irreplaceable source of income for those members of our society who are no longer able to work. While some of these disabilities stem from birth, studies show that a 20-year-old worker has a 3-in-10 chance of becoming disabled before reaching retirement age. The average processing time for initial disability claims is 104 days—over 3 months with no income. If the case is appealed, an average of 352 additional days is required, bringing the decision to 456 days, or 15 months without income. More than 50 percent of the wait time is due to the backlog of cases. The Committee has provided a $636,000,000 increase, or 7.1 percent, in administrative funding to the SSA in order to work down this backlog.

**Workforce**

When a worker with a disability is able to transition into employment, the individual experiences an increase in income, and self-sufficiency while contributing to the community and providing a positive learning experience for others in the workplace. In addition, the State saves money in benefit payments. For these reasons, the Committee created the Office of Disability Employment Policy [ODEP] in fiscal year 2001 with the goal of bringing a heightened and permanent long-term focus to the goal of increasing employment of persons with disabilities. The Committee has allocated $47,333,000 this year for this important office.

Specifically, the Committee believes that telework and electronic networking can be of immense benefit to individuals with disabilities, opening employment opportunities to persons who cannot commute to their workplace. Within the Office of Disability Employment Policy, the Committee has funded $2,500,000 for increased telecommuting opportunities for individuals with disabilities so they can gain economic independence. These funds are to be used to enable Government agencies to explore the feasibility of employing home-based workers with significant disabilities.

**Community Integration**
In 1999, the Supreme Court recognized in the *Olmstead* decision that needless institutionalization was discrimination and that States were continuing to segregate individuals with disabilities in institutional settings. According to the most recent data available, Medicaid funding continues to favor institutional care over community services. Data from 2001 indicate that 70 percent of Medicaid funding for long-term services is spent on institutions and only 30 percent is spent on community-based services.

Therefore, the Committee has allocated $40,000,000 for Systems Change grants in the Centers for Medicare and Medicaid Services [CMS] to continue the effort in States to develop and reform their service systems to encourage community-based services and supports.

*Direct Service Workers*

The Committee recognizes that direct service workers are the backbone of the community service system, yet they face increasing challenges. The Bureau of Labor Statistics predicts a 39 percent growth in the need for direct service workers in the next 10 years. In order to meet this need, there must be improvements in recruitment, training, supervision, retention, and benefits.

The Committee strongly believes that a commitment to improving the long-term community service system in States is imperative to allow individuals with disabilities to truly gain the freedom and independence envisioned in the Americans with Disabilities Act. For this reason, the Committee has funded $6,000,000 for the Service Worker Demonstration Projects, an increase of $3,000,000 over the President's budget request.

*Developmental Disabilities*

Nearly 4 million Americans have developmental disabilities—severe, chronic disabilities attributable to mental and/or physical impairment, which manifest before age 22 and are likely to continue indefinitely. The Committee is deeply committed to providing increased capacity for assisting the families and individuals with disabilities. For that reason, the Committee has restored the funding for these important programs and provided a 4 percent increase overall.

Families of children with disabilities provide support, care, and training that not only encourages and enables their children to become active members of our communities but also save States millions of dollars. Unfortunately, most families of children with disabilities, especially families in underserved areas, do not have access to support services to help them in their efforts to care for such children at home. Within the Projects of National Significance, the Committee has provided $4,000,000 for family support services, recognizing that families often play a critical role in supporting individuals with disabilities so they can live in their home communities.

*Disabled Voter Services*

There should be no issue of greater importance to a democratic government than the right to vote. The Help America Vote Act of 2002 had as its goal the improvement of access to voting places and the ability of communities to record and transmit the votes of their citizens. Persons with disabilities often experience barriers to voting that include proper physical access to polling places and voting machines that are not accessible to individuals with disabilities. The Committee strongly believes that any barrier to the right of citizens to vote endangers our democracy. For that reason, the Committee has included $15,000,000 in funding for the Disabled Voter Services program.
**Gallaudet University**

Gallaudet University, founded in 1864, is the world's only university that brings together deaf, hard of hearing, and hearing students as well as faculty in the common pursuit of education. The Committee maintains its commitment to this institution by including funding for its operating budget and endowment and at an increase of $3,002,000.

**American Printing House for the Blind**

The American Printing House for the Blind [APH] was founded in Louisville, Kentucky in 1858 and in 1879 became the official supplier of educational materials for students with visual impairments below the college level in the United States and its territories. The Committee recognizes the important role this institution plays in the lives of visually impaired Americans and therefore has provided an increase of 6 percent.

**National Council on Disability**

The National Council on Disability [NCD] is an independent Federal agency making recommendations to the President and Congress on issues affecting Americans with disabilities. NCD is currently coordinating a multi-year study on the implementation and enforcement of the Americans with Disabilities Act and other civil rights laws. The Committee appreciates this work and has included an additional $500,000 to continue and expand the survey.

**BIRTH DEFECTS, DEVELOPMENTAL DISABILITIES, DISABILITY AND HEALTH**

The Committee recommends $110,639,000 for birth defects, developmental disabilities, disability and health. The fiscal year 2003 comparable level was $98,040,000 and the administration request was $87,462,000.

Within the total provided, the following funding levels are for the specific program activities: autism, $12,311,000; birth defects, $18,694,000; fetal alcohol syndrome, $12,908,000; folic acid, $2,484,000; infant health, $11,740,000; attention deficit resource centers, $1,748,000; spina bifida, $5,128,000; muscular dystrophy, $4,974,000; Healthy Athletes, $4,775,000; Paralysis Resource Center, $5,981,000; disability prevention, $14,238,000; newborn infant hearing, $7,211,000; limb loss, $3,580,000; facial reconstruction, $500,000; and child development studies, $4,367,000.

*Attention Deficit Hyperactivity Disorder* - The Committee commends CDC for its Resource Center on AD/HD and has included increased funding in fiscal year 2004 to expand the activities at the Resource Center to respond to the overwhelming demand for information and support services; to better reach special populations in need, to develop on-line educational tools for professionals; and, to enable CDC to expand its population-based research and surveillance.

*Autism* - Within the total provided, $4,110,000 above the President's request has been provided to expand the Center's autism epidemiology program. This is $1,500,000 over last year's level. The Committee is concerned that the data collection and analysis within this program is not progressing at the anticipated pace and urges the agency within the funds provided to allocate the
resources necessary to release the data and conclusions in a timely manner. The Committee expects a status report on autism data before April 1, 2004.

**Craniofacial Malformation**- The Committee recognizes the importance of helping the families of children with craniofacial malformation. These malformations include major conditions such as cleft lip and palate; hemifacial microsomia; atresia/microtia; hemangiomas and vascular malformations; Pfeiffer Syndrome, Crouzon Syndrome, and Pierre Robin Malformation Sequence as well as rarer, or orphan conditions. The Committee encourages CDC to conduct research on the incidence of birth defects including abnormalities of structure, function, or body metabolism, the cost of appropriate medical treatment, availability of insurance coverage, and insurance coverage policies. The Committee has included $500,000 for CDC to create a registry and database of children nationwide with craniofacial malformation and development of plan for an information clearinghouse for parents and physicians regarding appropriate medical treatment. The Center is encouraged to work with the National Foundation for Facial Reconstruction or other such private foundation representing children with such malformations and their parents.

**Diamond Blackfan Anemia**- The Committee understands that the detailed evaluation of Diamond Blackfan Anemia [DBA] patients may serve as an important model for understanding the genetics of birth defects. The Committee has learned that more than 50 percent of patients with DBA have a variety of congenital malformations involving the face and head, upper arm and hand, genitourinary, and the heart, with 21 percent of patients having more than one birth defect. The Committee also understands that breakthroughs in this disorder may lead to important strides in other research especially relating to blood cell formation (recovery from cancer chemotherapy), cancer predisposition, gene discovery, and the effectiveness of steroids and blood transfusions as treatment options for bone marrow failure syndromes. The CDC is encouraged to establish a Diamond Blackfan Anemia Clinical Care Center, which would gather and analyze extensive data on this disease to be used for research initiatives involving the genetics of birth defects, cancer predisposition, gene discovery, red cell differentiation, and a comparison of treatment approaches and patient response to therapeutic treatments including blood transfusion, steroids and bone marrow transplants.

**Disabilities Prevention**- The Committee continues to strongly support the CDC disabilities prevention program which provides support to states and academic centers to reduce the incidence and severity of disabilities, especially developmental and secondary disabilities.

**Down Syndrome**- The Committee is aware that anecdotal evidence suggests that the number of persons with Down syndrome who also have autism or other mental disorders may be on the rise. Reliable data on these occurrences would help researchers identify areas of further research and could indicate whether the prevalence of certain dual diagnoses indicate certain risk factors that require assessment. The Committee encourages the CDC to assess the feasibility and goals of a national epidemiological study for Down syndrome that would identify and the number of persons with the disorder, and whether these persons have also been diagnosed with either autism or other mental disorders. This knowledge may inform research decisions aimed at the identification of modifiable risk factors and the possible development of interventions and approaches for evaluating such interventions.

**Duchenne and Becker Muscular Dystrophies**- Within funds provided, the Committee has included $2,998,000 above the administration's request for the Center's epidemiological program in Duchenne and Becker muscular dystrophy. This is $1,000,000 over the fiscal year 2003 level.
The Committee expects these efforts to include comparison of treatment approaches and a plan for disseminating such information to patients and families.

*Folic Acid Education Campaign to Prevent Birth Defects*—Within the total provided, sufficient funds have been provided to continue the national public and health professions education campaign designed to increase the number of women taking folic acid daily at the same level as in fiscal year 2003. Each year, an estimated 2,500 babies are born with neural tube defects [NTDs], birth defects of the brain and spinal cord, including anencephaly and spina bifida. The Committee is aware that CDC estimates that up to 70 percent of NTDs could be prevented if all women of childbearing age consume 400 micrograms of folic acid daily, beginning before pregnancy.

*Fetal Alcohol Syndrome*—Within the total provided, $1,263,000 above the budget request is to expand activities related to Fetal Alcohol Syndrome [FAS]. The Committee supports CDC's efforts to reduce the rates of Fetal Alcohol Syndrome [FAS] through surveillance and prevention programs. FAS, the country's leading known cause of mental retardation and birth defects, devastates the lives of as many as 12,000 newborn children and their families each year, and is completely preventable. This increase will allow CDC to expand surveillance activities to document the magnitude of the problem and to develop and implement prevention strategies.

*Fragile X*—The Committee believes that the Center's focus on maximizing prevention potential, minimizing impact on families and promoting early intervention through developmental screening should be expanded to incorporate individuals affected by fragile X. The Center is encouraged to expand its collaboration with the National Fragile X Foundation to establish and strengthen a link between researchers and families and to provide for the distribution of educational materials to clinicians, educators and parents. The Committee acknowledges the fine work being carried out by the Center in the area of autism surveillance and research and the Center is encouraged to broaden the scope of this work to include fragile X, the most common known cause of autism. The Center's fine work to improve the lives of young adults with developmental disabilities is recognized and the Committee recommends that these efforts to eliminate barriers to optimal functioning and address preventable secondary or spillover conditions specifically include fragile X.

*Newborn Screening*—Title XXVI of the Children's Health Act of 2000 provides that the Secretary shall award grants to improve or expand the ability of State and local public health agencies to provide screening to newborns and children having or at risk for heritable disorders. The Committee supports further research and demonstration projects to facilitate the translation of new scientific knowledge into applied public health screening programs. The Committee urges CDC to coordinate with HRSA in translating the results of these efforts, particularly in the areas of Autism, Duchenne and Becker Muscular Dystrophies, Down Syndrome, fragile X Syndrome, and Cystic Fibrosis, into guidance for public health programs, including State newborn screening programs.

The Committee commends CDC for its early hearing detection and intervention [EHDI] program for newborns, infants and young children with hearing loss. These grants ensure that infants referred from newborn hearing screening programs receive appropriate and timely diagnostic and early intervention services. The Committee is concerned that of babies who were screened, only 56 percent who needed diagnostic evaluations actually received them by 3 months of age. Moreover, only 53 percent of those diagnosed with hearing loss were enrolled in early intervention programs by 6 months of age. The Committee believes that increased funding is
required to ensure that States develop appropriate surveillance and tracking systems to provide timely and appropriate diagnostic and intervention services to infants and toddlers.

The Committee encourages the National Center on Birth Defects and Developmental Disabilities to provide clarification and guidance to States regarding how EHDI surveillance, tracking, and data management programs are affected by the Health Insurance Portability and Accountability Act and the Family Education Rights and Privacy Act.

To avoid duplication and interference, the Committee expects CDC to coordinate projects funded with this appropriation with EHDI projects conducted by the Health Resources Services Administration, the National Institute on Deafness and Other Communication Disorders, the National Institute on Disability and Rehabilitation Research, and the Office of Special Education and Rehabilitative Services.

_Paralysis Resource Center_- More than 2 million Americans live with paralysis, including spinal cord injury, stroke, multiple sclerosis, cerebral palsy, spina bifida, and ALS or Lou Gehrig's disease. Those living with paralysis have a desperate need for information and support to improve their health and quality of life. Hospital and rehabilitation stays have sharply reduced over the last decade and those living with paralysis face astronomical medical costs, are often unemployed and have poor health outcomes, including skin breakdowns, obesity, pneumonia, bladder and bowel infections and depression. In 2000, Congress established the Christopher and Dana Reeve Paralysis Resource Center to provide information and support to individuals living with paralysis, their caregivers and their families. To date, more than 160,000 people have received services and information from the Resource Center's web portal, from information specialists and from library and print materials. More than 90 organizations have benefited from health promotion grants provided by the Center, such as wheelchair basketball programs, caregiver support services and the placing of canine companions in the home. To keep up with the exploding demand for information and support services, the Committee has included $3,017,000 above the administration's request to expand the Paralysis Resource Center capacity; provide distance learning and training; support additional health promotion grants; and enhance university-based research. This is $3,000,000 above the fiscal year 2003 level. Sufficient resources are included for CDC to fund several model state demonstration programs on paralysis and physical disability.

_Regional Centers for Birth Defects Research and Prevention_- Within the total provided, $2,284,000 above the budget request is to expand research activities conducted by the regional Centers for Birth Defects Research and Prevention. This is $1,500,000 above the fiscal year 2003 level. These centers, which are located in Arkansas, California, Georgia, Iowa, Massachusetts, New Jersey, New York, North Carolina, Texas, and Utah, conduct epidemiological research on the prevention of birth defects. These centers identify cases and obtain data for inclusion in the National Birth Defect Prevention Study, the largest case-control study of birth defects ever conducted. This increase will allow these centers to expand and intensify the study of genetic and environmental causes of birth defects and thereby increase our understanding of key underlying factors that may cause birth defects.

_Special Olympics Healthy Athletes Initiative_- To address the unmet health needs among its athletes, Special Olympics created the Healthy Athletes Program, which provides Special Olympics athletes access to an array of health assessment, education, preventive health services and supplies, and referral for follow-up care where needed. These services are provided to athletes without cost in conjunction with competitions at local, State, national, and international levels. Two years ago, this Committee established a Special Olympics Healthy Athletes Initiative
at CDC to support these efforts. The Committee has included $2,009,000 above the administration's request for this initiative, which is $1,000,000 above the fiscal year 2003 level.

*Spina Bifida*- The Committee recognizes that Spina Bifida is the leading permanently disabling birth defect in the United States. While Spina Bifida and related neural tube defects are highly preventable through proper nutrition, including appropriate folic acid consumption, and its secondary effects can be mitigated through appropriate and proactive medical care and management, such efforts have not been adequately supported or coordinated to result in significant reductions in these costly conditions. In an effort to improve the quality-of-life for individuals affected by Spina Bifida and reduce and prevent the occurrence of--and suffering from--this birth defect, the Committee has included $3,035,000 over the administration's request to expand the National Spina Bifida Program in coordination with a leading national voluntary health agency which exists to promote the prevention of, and enhance the lives of all those affected by, spina bifida. This is $1,000,000 over the fiscal year 2003 level.

*State Cooperative Agreements for Birth Defects Surveillance*- The Committee encourages CDC to increase support to States to develop, implement, and/or expand community-based birth defects tracking systems, programs to prevent birth defects, and activities to improve access to health services for children with birth defects. CDC is now assisting 28 States with cooperative agreements.

*Tourette Syndrome*- The Committee encourages CDC to establish public health education and research programs in partnership with a national voluntary health association dedicated to assisting parents and families of children with Tourette Syndrome. The programs should be designed to reach parents, educators, pediatricians, physicians, and other health workers in a campaign consistent with the authority and direction of the Children's Health Act of 2000, and to increase scientific knowledge on the prevalence, risk factors and co-morbidities of Tourette Syndrome.

**REHABILITATION SERVICES AND DISABILITY RESEARCH**

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<tr>
<td>Committee recommendation</td>
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The Committee recommends $3,004,360,000 for rehabilitation services and disability research. The comparable fiscal year 2003 funding level is $2,953,633,000 and the budget request includes $2,918,423,000.

*Vocational Rehabilitation State Grants*

The Committee provides $2,584,162,000 for vocational rehabilitation grants to States. The Committee recommendation provides the full amount authorized by the Rehabilitation Act of 1973. The budget request proposes to eliminate separate funding of several categorical programs. The Committee rejects this approach and believes changes of this nature should be considered during the reauthorization process.
Basic State grant funds assist States in providing a range of services to help persons with physical and mental disabilities prepare for and engage in meaningful employment. Authorizing legislation requires States to give priority to persons with significant disabilities. Funds are allotted to States based on a formula that takes into account population and per capita income. States must provide a 21.3 percent match of Federal funds, except the State's share is 50 percent for the cost of construction of a facility for community rehabilitation program purposes.

The Rehabilitation Act requires that no less than 1 percent and not more than 1.5 percent of the appropriation in fiscal year 2004 for vocational rehabilitation State grants be set aside for grants for Indians. Service grants are awarded to Indian tribes on a competitive basis to help tribes develop the capacity to provide vocational rehabilitation services to American Indians with disabilities living on or near reservations.

Client Assistance

The Committee recommends $12,068,000 for the client assistance program. The comparable fiscal year 2003 funding level is $12,068,000 and the budget request includes $11,897,000 for authorized activities.

The client assistance program funds State formula grants to assist vocational rehabilitation clients or client applicants in understanding the benefits available to them and in their relationships with service providers. Funds are distributed to States according to a population-based formula, except that increases in minimum grants are guaranteed to each of the 50 States, the District of Columbia, and Puerto Rico, and guaranteed to each of the outlying areas, by a percentage not to exceed the percentage increase in the appropriation. States must operate client assistance programs in order to receive vocational rehabilitation State grant funds.

Training

The Committee recommends $39,371,000 for training rehabilitation personnel. The comparable fiscal year 2003 funding level is $39,371,000 and the budget request includes $42,629,000 for training activities.

The purpose of this program is to ensure that skilled personnel are available to serve the rehabilitation needs of individuals with disabilities. It supports training, traineeships, and related activities designed to increase the numbers of qualified personnel providing rehabilitation services. The program awards grants and contracts to States and public or nonprofit agencies and organizations, including institutions of higher education, to pay all or part of the cost of conducting training programs. Long-term, in-service, short-term, experimental and innovative, and continuing education programs are funded, as well as special training programs and programs to train interpreters for persons who are deaf, hard of hearing and deaf-blind.

The Committee remains concerned over the reduction in funding for rehabilitation long-term training programs, and in particular those that require orthotic and prosthetic care. Therefore, the Committee urges RSA to utilize available funds to support not less than four university O+P programs.

Demonstration and Training Programs

The Committee bill includes $20,895,000 for demonstration and training programs for persons with disabilities. The comparable fiscal year 2003 funding level is $20,895,000 and the budget
request includes $24,492,000 for authorized activities. This program awards grants to States and nonprofit agencies and organizations to develop innovative methods and comprehensive services to help individuals with disabilities achieve satisfactory vocational outcomes. Demonstration programs support projects for individuals with a wide array of disabilities. Within the Committee recommendation, $1,000,000 supports continuation of activities designed to establish an applied research agenda, improve the quality of applied orthotic and prosthetic research and help meet the increasing demand for provider services. Funds are to be used to further develop the orthotic and prosthetic awareness campaign, which includes an educational outreach initiative designed to recruit and retain professionals and develop a series of consensus conferences and disseminate the resulting best practices to the field.

The Committee recognizes that Fetal Alcohol Syndrome, the most preventable cause of mental retardation, results from maternal alcohol consumption during pregnancy. Affected children have a lifelong disability of mental impairments and behavioral problems that reduce their ability to respond to education. The burden to society is estimated at $4,000,000,000 per year. The Committee is pleased with the efforts of the Office of Special Education and Rehabilitative Services within the Department of Education to collaborate with other government organizations represented on the Interagency Coordinating Committee on Fetal Alcohol Syndrome. The Committee is encouraged by the progress made to involve educational psychologists and other educational and childcare professionals in developing awareness about FAS. The Committee encourages the Department of Education to expand activities related to Fetal Alcohol Syndrome; specifically the early identification of affected children.

Migrant and Seasonal Farmworkers

The Committee recommends $2,335,000 for migrant and seasonal farmworkers. The comparable fiscal year 2003 funding level is $2,335,000. The Department proposes eliminating separate funding for this program.

This program provides grants limited to 90 percent of the costs of the projects providing comprehensive rehabilitation services to migrant and seasonal farm workers with disabilities and their families. Projects also develop innovative methods for reaching and serving this population. The program emphasizes outreach, specialized bilingual rehabilitation counseling, and coordination of vocational rehabilitation services with services from other sources. The Committee understands that States will begin reporting on migrant and seasonal farmworkers served through the basic State grant program. The Committee looks forward to reviewing such information as it will provide more concrete information upon which to determine whether a separate funding stream is still required to adequately serve this population.

Recreational Programs

The Committee provides $2,579,000 for recreational Programs. The comparable fiscal year 2003 funding level is $2,579,000 and the budget request did not include funding for this program.

Recreational programs help finance activities such as sports, music, dancing, handicrafts, and art to aid in the employment, mobility, and socialization of individuals with disabilities. Grants are awarded to States, public agencies, and nonprofit private organizations, including institutions of higher education. Grants are awarded for a 3-year period with the Federal share at 100 percent for the first year, 75 percent for the second year, and 50 percent for the third year. Programs must maintain the same level of services over the 3-year period.
The Committee notes that the primary purpose of this program is to initiate recreational and related activities for individuals with disabilities. These programs are designed to aid individuals with disabilities in employment, mobility, independence and community integration. The Committee notes that almost three out of four programs whose last year of Federal funding ended in fiscal years 1998 through 2000 are still in operation and continue to meet the recreational needs of individuals with disabilities. These results show that this limited investment is having a national impact, as each new grant supports seed money for recreational programs throughout the United States.

**Protection and Advocacy of Individual Rights**

The Committee recommends $16,890,000 for protection and advocacy of individual rights. The comparable fiscal year 2003 funding level is $16,890,000 and the budget request includes $17,880,000. However, included in the request is $2,680,000 to continue funding for the Protection and Advocacy for Assistive Technology program.

This program provides grants to agencies to protect and advocate for the legal and human rights of persons with disabilities who are not eligible for protection and advocacy services available through the Developmental Disabilities Assistance and Bill of Rights Act or the Protection and Advocacy for Individuals with Mental Illness Act.

**Projects with Industry**

The Committee recommends $21,928,000 for projects with Industry. The comparable fiscal year 2003 funding level is $21,928,000 and the administration proposes eliminating separate funding for this program.

The projects with industry [PWI] program promotes greater participation of business and industry in the rehabilitation process. PWI provides training and experience in realistic work settings to prepare individuals with disabilities for employment in the competitive job market. Postemployment support services are also provided. The program makes grants to a variety of agencies and organizations, including corporations, community rehabilitation programs, labor and trade associations, and foundations.

**Supported Employment State Grants**

The Committee's bill includes $37,904,000 for the supported employment State grant program. The comparable fiscal year 2003 funding level is $37,904,000 and the administration proposes eliminating separate funding for this program.

This program assists persons who may have been considered too severely disabled to benefit from vocational rehabilitation services by providing the ongoing support needed to obtain competitive employment. Short-term vocational rehabilitation services are augmented with extended services provided by State and local organizations. Federal funds are distributed on the basis of population.

**Independent Living State Grants**

The Committee recommends $22,151,000 for independent living State grants. The comparable funding level for fiscal year 2003 is $22,151,000 and the budget request includes $22,296,000 for authorized activities.
The independent living State formula grants program provides funding to improve independent living services, support the operation of centers for independent living, conduct studies and analysis, and provide training and outreach.

**Independent Living Centers**

The Committee recommends $69,545,000 for independent living centers. The comparable fiscal year 2003 funding level is $69,545,000 and the budget request includes $69,500,000 for the centers.

These funds support consumer-controlled, cross-disability, nonresidential, community-based centers that are designed and operated within local communities by individuals with disabilities. These centers provide an array of independent living services.

**Independent Living Services for Older Blind Individuals**

The Committee provides $27,818,000 for independent living services to older blind individuals. The comparable fiscal year 2003 funding level is $27,818,000 and the budget request includes $25,000,000 for these activities.

States participating in the program must match every $9 of Federal funds with not less than $1 in non-Federal resources. Assistance is provided to persons aged 55 or older to adjust to their blindness, continue living independently and avoid societal costs associated with dependent care. Services may include the provision of eyeglasses and other visual aids, mobility training, braille instruction and other communication services, community integration, and information and referral. These services help older individuals age with dignity, continue to live independently and avoid significant societal costs associated with dependent care. The services most commonly provided by this program are daily living skills training, counseling, the provision of low-vision devices community integration, information and referral, communication devices, and low-vision screening.

The Committee notes that there are 5 million Americans in this country age 55 and older who are experiencing vision loss and that the number of Americans in this category is expected to double in the next 30 years. The Committee recognizes the very important and cost-effective work carried out through this program. By allowing older individuals to remain in their homes and communities, substantial savings are achieved.

**Program Improvement Activities**

The Committee recommends $894,000 for program improvement activities. The comparable fiscal year 2003 funding level is $894,000 and the budget request includes $850,000. In fiscal year 2004, funds for these activities will continue to support technical assistance efforts to improve the efficiency and effectiveness of the vocational rehabilitation program and improve accountability efforts. The funds provided are sufficient to support ongoing program improvement activities and to support ongoing dissemination and performance measurement activities.

**Evaluation**

The Committee recommends $994,000 for evaluation activities. The comparable fiscal year 2003 funding level is $994,000 and the budget request includes $1,000,000 for such activities.
These funds support evaluations of the impact and effectiveness of programs authorized by the Rehabilitation Act. The Department awards competitive contracts for studies to be conducted by persons not directly involved with the administration of Rehabilitation Act programs.

**Helen Keller National Center**

The Committee recommends $8,717,000 for the Helen Keller National Center for Deaf-Blind Youth and Adults. The comparable fiscal year 2003 funding level is $8,660,000 and the budget request includes $8,717,000 for this purpose.

The Helen Keller National Center consists of a national headquarters in Sands Point, NY, with a residential training and rehabilitation facility where deaf-blind persons receive intensive specialized services; a network of 10 regional field offices which provide referral and counseling assistance to deaf-blind persons; and an affiliate network of 48 agencies. At the recommended level, the center would serve approximately 102 persons with deaf-blindness at its headquarters facility and provide field services to approximately 1,850 individuals and families.

**National Institute on Disability and Rehabilitation Research**

The Committee recommends $109,285,000 for the National Institute on Disability and Rehabilitation Research [NIDRR]. The comparable fiscal year 2003 funding level is $109,285,000 and the budget request includes $110,000,000 for authorized activities.

NIDRR develops and implements a comprehensive and coordinated approach to the conduct of research, demonstration projects, and related activities that enable persons with disabilities to better function at work and in the community, including the training of persons who provide rehabilitation services or who conduct rehabilitation research. The Institute awards competitive grants to support research in federally designated priority areas, including rehabilitation research and training centers, rehabilitation engineering research centers, research and demonstration projects, and dissemination and utilization projects. NIDRR also supports field-initiated research projects, research training, and fellowships.

The Committee is disappointed by NIDRR's actions to adjust fiscal year 2002 program performance targets downward after the end of the fiscal year. These actions diminish the value of the program performance measurement process. If such actions are required in the future, the Committee expects NIDRR to highlight and fully explain in all appropriate documents the need for adjusting a performance target after it has been established.

**Assistive Technology**

The Committee recommends $26,824,000 for assistive technology. The comparable fiscal year 2003 funding level is $26,824,000 and the budget request proposes to eliminate funding for this program. However, under the PAIR program, the administration proposes to fund Protection and Advocacy activities previously funded through this program at $2,680,000.

The Assistive Technology Program is designed to improve occupational and educational opportunities and the quality of life for people of all ages with disabilities through increased access to assistive technology services and devices. It provides grants to States to develop comprehensive, consumer-responsive statewide programs that increase access to, and the availability of, assistive technology devices and services. The National Institute on Disability and Rehabilitation Research administers the program.
The Committee recommendation includes $26,824,000 for activities authorized under title I of the Assistive Technology Act [AT Act]. The Committee has included bill language which allows all State projects funded currently under title I of the AT Act to receive not less than the amount they received in fiscal year 2003. The budget request proposes to eliminate State Tech Act funding in fiscal year 2004, at a time when States are operating in a new policy landscape that includes the Olmstead decision, final section 508 standards and the Ticket to Work and Work Incentives Improvement Act. The Committee expects funds to be allocated under Title I, consistent with the way in which they were allocated during implementation of the fiscal year 2003 bill.

The Committee recommendation does not include additional resources for title III programs, as requested by the administration. The Committee will review the program funding level in the fiscal year 2005 budget, once appropriated funds have been awarded through a grant competition. The Committee will ensure that sufficient resources are available to continue this important program, once it becomes more clear how funds have been expended under this program. Loan programs offer individuals with disabilities attractive options that significantly enhance their ability to purchase assistive technology devices and services.