



Chairman Tom Cole

*Subcommittee on Labor, Health and Human Services,
Education, and Related Agencies
House Committee on Appropriations*

Department of Labor FY2017 Budget Hearing

March 15, 2016

Opening Statement As Prepared

Good morning, Mr. Secretary and welcome. Thank you for your service. The Committee recognizes the demanding role you have, and I appreciate your work on behalf of the American people.

This hearing is to review the Department of Labor's fiscal year 2017 budget request. The Department's request for \$12.8 billion in discretionary appropriations is a five percent increase over the fiscal year 2016 enacted level. This is a substantial increase when compared to the increase authorized under the bipartisan budget deal for fiscal year 2017 agreed to last fall and signed by the President. Increases are requested across the Department which makes the Committee's task of prioritizing the programs that need additional funding from those that would be nice to have even more difficult.

In the budget, there are areas of agreement. The Committee is pleased to see the Governor's reserve proposed at the authorized level of 15 percent after several years of reduced allocations.

I am also personally interested in the appropriately scaled Native American youth pilot proposal. I hope the Department will continue to work with this Committee to find ways to more effectively serve this population.

The Committee also appreciates the Department's focus on serving the job training and employment needs of the nations' veterans, and, particularly, the Department's requested increase for the Homeless Veterans' Reintegration Program. No veteran should have to live on the streets after serving our country, and we hope the Department will continue to work with the Committee and with Congress to eliminate veterans' homelessness.

Last but not least, the Committee strongly supports the OSHA Voluntary Protection program. We look forward to receiving the report requested in last year's House Committee Report and hope that the Department will continue to work with us and with the Education and Workforce Committee to secure the resources necessary to expand the reach of and participation in this program.

Though there are numerous areas where we believe we can work with the Department, the Committee continues to have serious concerns with many of the proposals in this budget. The

budget proposes \$17.6 billion in new mandatory spending. These proposals exceed the entire discretionary budget for the Department of Labor by over \$5 billion.

Furthermore, Congress is unable to effectively assess these proposals because there is no proposed legislative language. Frankly, we wonder why these proposals are even before this Committee which does not have jurisdiction over mandatory funding. If they are anything more than a budgetary gimmick, they should be before the appropriate Committees of jurisdiction.

The Committee also continues to have concerns with the Department's overreliance on punitive labor enforcement. The budget requests a substantial increase for the Wage and Hour Division, OSHA, MSHA and other enforcement programs despite clear direction from the Committee to adopt a more balanced approach that places more emphasis on cooperative compliance assistance efforts.

The Committee recognizes that enforcement is an important part of worker safety programs, but we continue to believe that worker safety should be the goal of these programs – not generating revenue from excessive penalties and fines. Many employers who want to do the right thing and protect their employees' safety are frustrated with the unforgiving and punitive approach the Department has taken toward enforcement programs, especially the budget increases proposed to support politically motivated and controversial regulatory proposals.

The Committee also remains deeply concerned by the recent trend of making major changes in policy through administrative interpretation. These efforts circumvent the intent of Congress in the Administrative Procedures Act to interpret and implement the law of the land through the formal regulatory process. Despite clear bipartisan direction from Congress to implement such policy changes through the proper regulatory process, the Department continues to issue controversial administrative interpretations to impose policies in an expeditious and disingenuous manner that circumvents the role of Congress in policy development, and deprives employers and the public of their legal right to information and the opportunity to comment on the record.

In addition, the Department continues to pursue controversial and partisan regulatory proposals on the definition of fiduciary, overtime, crystalline silica, injury and illness reporting, and the reporting requirements for legal advice regarding unionization, and continues to dismiss the concerns of many members of Congress from both parties as well as affected employers. We hope that the Department will engage with the Committee and Congress to address these policy issues on a bipartisan basis.

I know members have many questions to ask, and I yield now to Chairman Rogers for his opening statement.

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