



**DISABILITY
POLICY
COLLABORATION**

A Partnership of The Arc &
United Cerebral Palsy

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WASHINGTON WATCH

IN THIS ISSUE...

FINAL REPORT THE LEGISLATIVE GOALS FOR THE 109TH CONGRESS (FIRST SESSION)

This report summarizes progress on the 2005 Legislative Goals through the end of the First Session of 109th Congress.

Fiscal policy, disaster relief, the war in Iraq, ethics, scandals and divisive partisanship dominated this First Session of the 109th Congress. Readers will note that the majority of this report contains more bad news than good related to disability policy, as the Congress and the Bush Administration spent much time deliberating on ways to shrink, not expand, federal services.

It is important, however, to reflect on what the Congress was NOT able to do this year. Why? Because Congress's actions, if successful, would have truly devastated the disability services network. Examples include the partial privatization of Social Security, delaying the payment of SSI benefits in order to increase appropriations for discretionary programs, and billions of dollars in additional cuts to Medicaid, Medicare, Food Stamps and HUD housing programs. The disability community should perceive the successful defeat of these dangerous policies as important victories. A lot of hard work through grassroots participation helped fend off these potentially devastating cuts.

The Arc and United Cerebral Palsy (UCP) legislative goals did not address the unforeseen weather-related disasters in 2005 that profoundly affect the lives of and support services network for people with disabilities in the Gulf States. Nevertheless, the Disability Policy Collaboration (DPC) spent considerable time helping our affiliates, chapters and affected individuals and families cope with this tragedy as well as working with national coalitions to advocate for effective federal policy to address both the relief efforts and future preparedness for people with disabilities. Much effort was devoted to publishing several editions of DPC's News and Information Bulletins that shared information and resources related to hurricane relief initiatives emanating from the federal government, the nonprofit and for-profit sectors, and others.

The DPC served on the Subcommittee for Disabilities of the federal Interagency Coordinating Committee for Emergency Preparedness. After the 2005 hurricane disasters, the DPC took the lead in a Consortium for Citizens with Disabilities (CCD) effort to draft principles and recommendations for

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working with people with disabilities during and after emergencies and to establish an Emergency Preparedness and Disaster Relief Task Force in CCD.

I. Federal Fiscal Policy Goals

BUDGET, ENTITLEMENTS and APPROPRIATIONS

The Congress adopted a Fiscal Year 2006 Budget Resolution that would significantly constrain federal entitlement and discretionary spending. This Budget Resolution called for major cuts to Medicaid, Food Stamps and other entitlement programs while setting overall FY 2006 spending levels for discretionary programs below the FY 2005 levels. This action foreshadowed hard times for future growth of disability programs, essentially requiring cuts to many entitlement and discretionary programs through the Budget Reconciliation process.

At the end of the First Session of the 109th Congress, the Congress seemed poised to pass a Budget Reconciliation bill (the Senate passed its version just before Christmas and the House is slated to vote on February 1, 2006) that would cut Medicaid by almost \$7 billion while adding \$2.1 billion in Medicaid spending. The Arc and United Cerebral Palsy are vigorously opposing the Budget Reconciliation bill. More details about the impact of the Budget Reconciliation bill are contained in the Medicaid and other portions of this report.

The Congress passed all of the FY 2006 appropriations bills, although the President signed most into law well after the start of the fiscal year. Disability programs did not fare well, as the appropriators were hamstrung by very low funding limits established by the FY 2006 Budget Resolution. Compounding the difficult program-by-program funding decisions was the enactment in the Department of Defense appropriations bill of a one percent across-the-board cut for all federal programs, except those serving veterans and directly related to the Iraq war. Many disability programs were frozen at current levels; others received small increases; and some were substantially cut. Particularly hurt are the Supported Employment State Grant, the Department of Labor Office of Disability Employment Policy and the IDEA State Grant. Appendix A at the end of this document compares FY 2005 and FY 2006 funding for key disability programs as well as showing the President's recommendations.

REVENUE POLICY

The Tax Reconciliation bill is also pending, with final votes expected early in the next session of Congress, after the Budget Reconciliation vote is taken. Each House of Congress passed Tax Reconciliation legislation in response to the \$70 billion tax cut target specified in the FY 2006 Budget Resolution. A conference committee to resolve the many differences between the bills was postponed until 2006. This legislation contains capital gains and dividends cuts aimed almost exclusively to assist wealthy taxpayers, making it a very controversial bill given that the Congress is poised to make major cuts to human services programs serving very low-income Americans as part of the Budget Reconciliation legislation.

The President also signed into law two hurricane tax relief measures passed by Congress. One bill creates a \$6.1 billion package of tax breaks for hurricane victims and small businesses. The other earmarks another \$7.8 billion in tax breaks for businesses in the Gulf States affected by the hurricanes.

II. Programmatic Goals

A. Critical Goals

MEDICAID

Medicaid has continued to take center stage on the health and long-term care agenda in Washington, DC and nationwide. The Administration, majority leaders in Congress, and Governors sought not only to reduce Medicaid spending but also to enact fundamental structural changes to the program to enhance “flexibility.”

Congress’s and the media’s attention to the devastation caused by Hurricane Katrina and its aftermath led some Members to call for a slow-down in efforts to cut Medicaid funding. Despite the focus on Medicaid’s importance as a safety net for our most vulnerable citizens, Congress was required to generate \$10 billion in savings from entitlement programs over five years in its FY 2006 Budget Reconciliation bill. Efforts to persuade Congress to generate at least part of the required savings from Medicare, rather than Medicaid, have not been successful.

The House Energy and Commerce Committee’s proposals for Medicaid reflected recommendations similar to those of the National Governors Association (NGA) and the Administration’s Medicaid Commission. The most problematic recommendations included increasing beneficiary cost-sharing and providing more flexibility to governors in designing benefits such as the basic mandatory benefits and the Early and Periodic Screening, Diagnosis, and Treatment program. Ultimately, aspects of each of these recommendations made it into the final Budget Reconciliation Conference Report that the House will consider upon its return for the Second Session of the 109th Congress.

If the final reconciliation bill becomes law, Medicaid will be cut by \$6.9 billion, with new Medicaid spending increased by \$2.1 billion. The new Medicaid spending would be for new benefits to hurricane victims and expanded eligibility under the Family Opportunity Act (FOA) and the Money Follows the Person (MFP) Demonstration program. Enactment of the FOA and MFP Demonstration program would address some important legislative goals of The Arc and UCP.

The final Budget Reconciliation Conference Report, however, makes significant and substantive changes to Medicaid law that would give Governors flexibility to determine benefits and increase cost-sharing and penalties for low-income beneficiaries. For example, mandatory beneficiaries on SSI will be required to pay co-payments for services and will be refused services if they cannot make the payments. In addition, the new authority given to states to cover home- and community-based services through the Medicaid state plan (without going through the waiver process) is accompanied by flexibility provisions, which undercut the basic protections of the Medicaid entitlement. This authority includes allowing states to cap the number of people served and eliminates the requirements of statewide availability and comparability of these services. These negative aspects of the Budget Reconciliation bill overshadow any positive provisions in Medicaid.

This year, a number of free-standing Medicaid bills, such as the bipartisan Family Opportunity Act (S. 183, H.R. 1443), Money Follows the Person (S. 528) and the Improving Long-Term Care Choices Act of 2005 (S. 1602), were introduced. Although no separate votes occurred on any of these bills, aspects of each were included in the final Budget Reconciliation Conference Report.

On a positive note, Title II of the new S. 1602, sponsored by Senate Finance Committee Chairman Charles Grassley (R-IA), Evan Bayh (D-IN), and Hillary Clinton (D-NY), would establish a new option in the Medicaid program, which would accomplish a major legislative goal of The Arc and United Cerebral Palsy. The new option would allow states to provide home- and community-based services without proving that an individual would otherwise need institutional services and without requiring budget neutrality. However, the bill was added to the Budget Reconciliation bill with changes that undermine basic Medicaid entitlements

In a parallel effort to dismantle federal Medicaid standards, several states (i.e. South Carolina, Florida, and Georgia) worked to submit waivers to the Centers for Medicare and Medicaid Services (CMS) that contain radical privatization provisions. Under the guise of increasing “consumer choice,” states have proposed that non-institutionalized beneficiaries receive a capped account to purchase private health insurance and allowing private health plans to define the amount, duration, and scope of their benefits. These privatization efforts may be expanded to long-term care services. The Florida waiver proposal was approved. The final Medicaid provisions of the Conference agreement on the Budget Reconciliation bill would incorporate many of these principles into the basic Medicaid program.

The Disability Policy Collaboration worked vigorously throughout 2005 to ensure that The Arc and UCP’s policies on Medicaid were top-of-mind among policymakers and political officials. In fact, the DPC expressed the organizations’ viewpoint in testimony during the public comment periods at the meetings of the Administration’s Medicaid Commission, which focused on proposals for generating short-term savings in Medicaid in anticipation of the Budget Reconciliation process.

The Medicaid provisions in the Budget Reconciliation bill hang in the balance until the House of Representatives returns to work in early February.

SOCIAL SECURITY/INCOME MAINTENANCE

Social Security issues related to solvency took center stage in 2005. President Bush made creating private accounts from Social Security funds a priority issue for his second term and, in fact, the President made public some details of his plan. However, he never submitted a legislative proposal to the Congress.

Senator Charles Grassley (R-IA), Senate Finance Committee Chairman, and Representative Bill Thomas (R-CA), House Ways and Means Committee Chairman, held hearings in preparation for developing committee proposals to address Social Security solvency and other related issues. The DPC was invited to testify before the House Ways and Means Subcommittee on Social Security on behalf of the Consortium for Citizens with Disabilities. The DPC also participated in numerous Congressional briefings and strategy meetings with House and Senate Members and their staff.

While both Senator Grassley and Representative Thomas indicated an intention to mark-up Social Security legislation this year, their plans were set aside. Sen. Grassley was unable to secure agreement from a majority on the Senate Finance Committee for any set of proposals. Rep. Thomas decided against moving a Social Security proposal this year. For these reasons, and because President Bush wanted Congress to act first, Social Security reform was put on hold for the First Session of the 109th Congress.

A provision affecting Supplemental Security Income (SSI) was included in the Budget Reconciliation Conference Report. The provision would save about \$1 billion by delaying back payments of benefits to SSI beneficiaries.

On other Social Security related issues, the Social Security Administration (SSA) published a Notice of Proposed Rulemaking on the process for determining disability for the Social Security and Supplemental Security Income programs on July 27. Public comments closed on October 25. The DPC worked with other organizations on comments for use by grassroots advocates as well as comprehensive comments for use by The Arc and United Cerebral Palsy. As part of the leadership of the CCD Social Security Task Force, the DPC staff met with the SSA Commissioner after the close of the comment period to discuss the impact of the proposed regulations on people with disabilities who apply for disability benefits from the Title II Old Age, Survivors, and Disability Insurance and SSI programs. Final regulations have not been published.

The DPC responded to an advance notice of proposed rulemaking for neurological listings and language and speech disorders. The DPC also submitted comments in response to Notices of Proposed Rulemaking for SSI income and resource rules; exemption of work activity as trigger for continuing disability reviews; representative payee responsibilities; sanctions for withholding information from SSA; receipts for reporting work activity and expansion of re-entitlement for Disabled Adult Child beneficiaries; and revisions to the Ticket to Work and Self-Sufficiency program. Final regulations have not been published.

Finally, the DPC participated in a meeting of the Institute of Medicine on issues regarding the listings of impairments.

DIRECT SUPPORT WORKERS

Representatives Lee Terry (R-NE) and Lois Capps (D-CA) introduced the Direct Support Professionals Fairness and Security Act of 2005 (H.R. 1264), which would amend the Medicaid program to give States funding that would enable them to increase the wages paid to targeted direct support professionals, who provide services to individuals with disabilities. The Arc and UCP are involved in national campaigns to support this legislation and have utilized their respective Action Centers to generate support for additional co-sponsors of the bill.

There is no companion Senate bill. This bill faces a steep uphill climb since Congress's efforts have been focused on reducing Medicaid expenditures.

HOUSING

The Arc, UCP and other advocates for persons with significant disabilities who need supportive housing scored a resounding victory by focusing our efforts in 2005 on preserving the production component of the Section 811 Supportive Housing for People with Disabilities program. The Administration's FY 2006 budget proposed to eliminate it through a 50 percent cut to the 811 program. As a result of this effort, the FY 2006 appropriations bill that funds the Department of Housing and Urban Development (HUD) allocates \$236.6 million to the Section 811 program after the one percent across-the-board cut is applied and specifically directs HUD to make \$155.7 million available for development of new housing units. Restoring the funding for this much-needed program by eliminating the 50 percent cut was huge achievement in 2005.

The DPC, along with other housing advocates for low-income beneficiaries, vigorously opposed to the Administration's "Flexible Voucher" (a.k.a. a block grant) proposal, which would have allowed public housing agencies to direct rental vouchers to higher income households and require voucher-holders to contribute a higher percentage of their monthly income toward rent. Our achievement was that the final FY 2006 HUD appropriations bill failed to incorporate any of these provisions, and actually includes \$15.57 billion for the Section 8 tenant-based assistance component of the Housing Choice Voucher Program (\$807 million above FY 2005 funding, but \$272 million below the Administration's request).

B. Priority Goals

ASSISTIVE TECHNOLOGY

After the one percent across-the-board decrease in all Labor-HHS-Education program appropriations, the Tech Act State grant programs, including the former Title III Alternative Financing Programs will receive about \$30.8 million, with \$3.8 million designated for Alternative Financing Programs and \$1.18 million for National Technical Assistance services. Protection and Advocacy for Assistive Technology services will receive \$4.45 million. This represents almost level funding with 2005. No funding was appropriated for the new Research and Development provisions in the 2004 Act.

CONSTITUTIONAL AND CIVIL RIGHTS

In concert with the Consortium for Citizens with Disabilities Rights Task Force, the DPC developed "Problems" and "Principles" documents to support revising the definition of disability in the Americans with Disabilities Act (ADA). Work is ongoing in this area as we continue to seek the Administration and Congress's support to restore the full rights as intended by Congress in the ADA of 1990.

The DPC also took the lead, along with the Rights Task Force, in holding a series of meetings with representatives of the hospitality industry (fast food, hotel/motel, shopping centers and other national franchises) groups strongly in support of the ADA Notification Act. The ADA Notification Act is a bill that could weaken the ADA by requiring notice prior to filing suit under Title II of the Act. Our purpose was to encourage these industries to seek other strategies to deal with what they perceive as excessive and unfair lawsuits against their businesses. Though no formal agreement was reached, the hospitality industry significantly decreased their level of lobbying related to this legislation, and no action on the bill occurred during the First Session of the 109th Congress. Work in this area is ongoing since this legislation is not expected to disappear.

On Voting Rights issues, the Help America Vote Act (HAVA) received a small increase of about \$297,000 in the Labor-HHS-Education appropriations bill for activities related to "disabled voters." The DPC commented on a number of drafts of the Voluntary Voting System Guidelines promulgated by the Election Assistance Commission. Along with the CCD Rights Task Force, the DPC was successful in achieving language that will enhance access to voting systems for people with all types of disabilities. We also monitored and responded to legislation drafted and/or introduced by Members of Congress that address a number of HAVA reforms.

Legislation barring discrimination based on genetic information in employment and insurance (S.306) passed the Senate in February 2005. Companion legislation (H.R. 1227) awaits action from the House Ways and Means Committee, which held two hearings on the topic in 2005. The DPC continues to work with the Coalition for Genetic Fairness on House passage of H.R. 1227.

In a surprising development on the Hate Crimes issue, the House of Representatives passed the Local Law Enforcement Hate Crimes Prevention Act (H.R. 2662) as an amendment to H.R. 3132, the Children's Safety Act, on September 14, 2005. In the Senate, the Local Law Enforcement Enhancement Act of 2005, S. 1145, was introduced early in 2005. In November of 2005, the DPC participated in a Senate briefing on the legislation. Both bills would add "disability" to the definition of a federal hate crime, but still sit in the Senate Judiciary Committee awaiting action.

The DPC met with leadership of the Department of Justice Civil Rights Division several times during 2005 to determine what actions were being taken to protect existing civil rights laws for people with disabilities and encourage stronger enforcement of all civil rights laws pertaining to people with disabilities, particularly the ADA, housing and the upcoming deadline for HAVA accessibility.

The DPC also worked to support House Resolution 169 introduced by Representative Tom Lantos (D-CA), which would express the Sense of Congress that the US should support a UN Convention on disability rights. The Bush Administration has declined to endorse the UN Convention, saying that human rights are the responsibility of each individual country. The Resolution has seen no action in the Congress.

EDUCATION

Education issues were not the top priorities this year for Congress. It failed to finalize two important pieces of legislation, the reauthorization of both the Higher Education Act and the Head Start Act. The House passed its version of Head Start reauthorization with a controversial provision allowing faith-based organizations operating Head Start programs to hire staff based on their religious beliefs. The Senate's Head Start bill never reached the Senate floor for action, and an attempt to attach a Higher Education Act reauthorization to the Budget Reconciliation bill was unsuccessful. Nevertheless, these laws continue operating under temporary extensions.

On the Individuals with Disabilities Education Act (IDEA) funding for FY 2006, the news is very bleak. For nearly a decade, the Congress has increased IDEA State Grant funding by an average of \$1 billion annually. This year, the Congress only appropriated a \$100 million increase for the State Grant program, and when the one percent across-the-board cut is taken, there is a net \$7 million cut from the FY 2005 level. This cut dramatically lowers the average per child federal reimbursement to school systems from previous year increases. Other IDEA programs – Preschool, Early Intervention and National Activities – are also cut below the FY 2005 levels.

Special education and No Child Left Behind (NCLB) policies, however, were very much at the forefront in the Executive Branch. The U.S. Department of Education continued to tweak policy related to how students with disabilities would participate in the NCLB assessments, following up on the so-called one percent rule, established late in 2003 for students with significant cognitive disabilities. The Department proposed in December 2005 a new set of rules aimed at those special education students (approximately two percent of all students) whose academic progress would be assessed under NCLB using modified achievement standards aligned with the general curriculum. The comment period on these proposed rules ends in February 2006, and the DPC will file comments.

The Department also proposed rules to implement the IDEA Amendments of 2004. Thousands of comments were received, and the Department has yet to publish the final rules, despite numerous rumors over the past few months that publication of the final rules was imminent. Again, the DPC submitted extensive comments for The Arc and UCP on these proposed rules.

Finally, the Supreme Court also weighed into special education policy by ruling this November on the *Schaffer v. West* case. That ruling, unfortunately, places the burden of proof on the complaining party in cases related to IDEA. The Bush Administration shifted its position, backing the school systems and opposing the parents in this case. The Arc and UCP supported the parents through an *Amicus* brief filed with the court. The net effect of this ruling will likely create a chilling effect on families who want to file due process complaints against school systems.

EMPLOYMENT

While the Workforce Investment Act and the Vocational Rehabilitation Act reauthorization (S. 1021) stalled in the Senate, the House of Representatives passed its own reauthorization bill (H.R. 27). The Arc and UCP oppose this bill because it contains provisions that could negatively affect services for people with disabilities, including a consolidation proposal. The Senate version, which has not been voted on by the full Senate, has much stronger access provisions in WIA and does not have the consolidation proposal we oppose in the House bill.

Representative Christopher Van Hollen (D-MD) introduced legislation (H.R. 1480) to provide protection from outsourcing of federal jobs held by people with significant disabilities. Subsequently, the Office of Management and Budget created an exemption for these jobs in their rule-making process. The House has not acted on Rep. Van Hollen's bill.

After amending the Work Opportunity Tax Credit (WOTC) to include individuals affected by the hurricanes as a targeted group, Congress failed to include an extension of WOTC in any of the year end bills. The tax credit expired on December 31, 2005.

Consistent with our legislative goals, the DPC submitted comments on a Notice of Proposed Rule Making (NPRM) issued by the Office of Personnel Management. The NPRM rewrote the hiring preferences for people with significant disabilities in the federal government. The DPC also submitted comments on an NPRM issued by the Department of Labor on its proposal to eliminate data collection about individuals with severe disabilities.

FAMILY SUPPORTS

Family Support remains a \$3.9 million appropriation in the Developmental Disabilities Assistance and Bill of Rights Act, after the one percent across-the-board cut given all Labor-HHS-Education programs.

In working to protect the Family and Medical Leave Act (FMLA), the DPC worked in coalition with National Partnership for Women and Families and other organizations in the Family Alliance to stop the Department of Labor from promulgating new regulations that would significantly weaken the FMLA. At year-end, the promulgation of draft regulations was delayed for the fourth time since the beginning of the year.

The DPC, in coalition with child welfare advocates, sought improved funding for Foster care services, but those efforts were scuttled during final negotiations on the still-pending Budget Reconciliation legislation. Enhanced services in several regions of the country, which were supposed to be initiated as the result of class action litigation, were not funded, and funding was eliminated for foster care services provided by grandparents and certain other relatives.

HEALTH CARE

In 2005, one of the DPC's highest priorities was educating chapters, affiliates, consumers, their families, providers and advocates about the transition of dual eligibles (those who receive Medicare and Medicaid benefits) from Medicaid prescription drug coverage to the new Part D coverage required by the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA). Ensuring that dual eligibles would have affordable access to all the medications they need on January 1, 2006 (when Part D took effect) was challenging for all advocates for dual eligibles due to the MMA's complexity and the Centers for Medicare and Medicaid Services' (CMS) delays in issuing technical assistance.

In addition, in conjunction with Medicare Access for Patients Rx (a coalition of national organizations representing senior citizens, persons with disabilities and individuals with chronic health conditions) the DPC held several meetings with CMS officials and congressional staff in an effort to influence development of MMA policies.

QUALITY OF SERVICES

All efforts in Congress and the Administration to change the Medicaid program's requirements will have a significant impact on the availability and quality of services. However, no changes specific to quality assurance were enacted this year.

TAX POLICY

The section on Revenue Policy above addresses this goal.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

TANF reauthorization was included in the conference report of the Budget Reconciliation bill. Despite the inclusion of the disability provision in the Senate Finance Committee bill, the House position, advocating less flexibility and mandating higher work participation rates, prevailed in the conference report. The DPC is fearful that the House position, a punitive approach adopted in the TANF reauthorization, will result in even higher poverty levels for children and adults with disabilities.

The final Budget Reconciliation Conference Report, which still must be acted on by the House, reauthorizes TANF with onerous work requirements that make it almost impossible for TANF recipients with disabilities or those caring for family members with disabilities to meet these requirements. States would also be put in a financial predicament for maintaining these individuals in the TANF program and would be mandated to meet a 50 percent work participation rate or face penalties. The Senate Finance Committee's position, indicating that states should not be rewarded for reducing the caseload without regard to whether people find jobs or still need assistance, was rejected and the final reconciliation bill included provisions allowing states to meet final participation rates by merely reducing the number of families receiving assistance.

The final bill does not include any of the disability provisions supported by The Arc and UCP that would give states the flexibility to better serve people with disabilities. The new onerous work requirements for TANF recipients will force many parents of children with disabilities and even recipients themselves further into poverty. States will no longer have the flexibility to set State TANF program policies, even if the program is entirely state funded. This is another major shift in TANF policy, giving the U.S. Department of Health and Human Services a much greater role in shaping policy.

Despite these new requirements on the states, the final bill includes no new TANF funding and only \$200 million more in child care funding. Advocates are concerned that this will result in states' cutting funding for other low-income families who do not receive TANF because the insufficient resources. This is particularly troubling for families who have children with disabilities that require child care, because it is so difficult to find appropriate and affordable care. Further diminishing the supply of affordable child care will hurt these families as well.

TRANSPORTATION

In August, the President signed H.R. 3, the Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). This bill included a new program, Section 5317, authorizing \$78 million in funding for transportation services for people with disabilities that goes beyond the ADA. Among the other changes in the Act was a higher authorization level (\$112 million in FY 2006) for Section 5310, the grant program that funds local community-based organizations to provide specialized transportation services to individuals with disabilities and the elderly.

Consistent with our legislative goals, the DPC also submitted comments on a NPRM released by the Department of Transportation on the Air Carrier Access Act and guidance on SAFETEA-LU implementation.

C. Additional Important Goals

CRIMINAL JUSTICE

The DPC, along with the CCD Criminal Justice Task Force, supported the Second Chance for Ex-Offenders Act of 2005 (H.R. 663), which would provide resources to the Department of Justice for training of criminal justice system personnel about disability issues. No action on this bill occurred during the First Session of the 109th Congress.

The Arc and UCP signed on as *amici* in *Goodman v. Georgia*, a Supreme Court case heard in November 2005 involving alleged mistreatment/non-accommodation of a prisoner based on disability.

DEVELOPMENTAL DISABILITIES

The DD Act programs were level funded, with a small increase appropriated for Protection and Advocacy Systems. However, the one percent across-the-board cut given all Labor-HHS-Education programs applies.

HABILITATION

There was no legislative action, although any Medicaid program changes would have an impact on habilitation services.

IMMIGRATION AND NATURALIZATION

Congress took no action specific to our constituency this year.

LIABILITY INSURANCE PROTECTIONS

Congress took no action specific to our constituency this year.

LONG-TERM COMMUNITY SERVICES AND SUPPORTS FOR INDIVIDUALS

Senators Edward Kennedy (D-MA) and Mike DeWine (R-OH) introduced the Community Living Assistance Services and Supports Act (CLASS Act, S. 1951), which would create a federal voluntary, premium-based, long-term supports program outside of the Medicaid system. The CLASS Act would create a new program that would not be means-tested and would cover people who pay premiums for at least five years. Eligibility for services under this program would be based on functional needs for support rather than diagnosis. No action has occurred on this bill.

NOT FOR PROFIT ORGANIZATIONS

Nonprofit organizations were eligible to benefit from a new charitable tax credit, passed in response to Hurricane Katrina, that temporarily lifted the limits on donation amounts eligible for credits.

The DPC monitored the Senate Finance Committee's ongoing hearings on charitable organizations and joined in comments offered by the Independent Sector in attempts to ensure the viability of nonprofit organizations serving and advocating for people with disabilities.

PREVENTION

The Centers for Disease Control & Prevention's (CDC) Center on Birth Defects and Developmental Disabilities fared better than most programs in the FY 2006 Labor-HHS appropriations bill - receiving \$124.7 million – a very slight increase over FY 2005 funding (\$124 million).

The DPC drafted and submitted comments on behalf of The Arc and UCP to the Environmental Protection Agency in response to proposed regulations concerning human exposure to pesticides.

RESEARCH

Senate supporters of the National Institutes of Health (NIH) secured a "last minute" \$1.1 billion increase over FY 2005 levels, despite efforts by the House leadership to cut the agency's funding. Total NIH FY 2006 funding will be \$29.1 billion. The agency's National Institute of Child Health and Human Development will be funded at \$1,264.7million, a decrease from the FY 2005 appropriation of \$1,270 million. Funding for the National Institute on Disability and Rehabilitation Research decreased slightly to \$106.7 million from its FY 2005 level of \$107.8 million.

**Appendix A - FY 2006 APPROPRIATIONS - DEPARTMENTS OF LABOR,
HHS, EDUCATION, HUD - (All numbers in millions)**

DEPARTMENT OF LABOR	FY 2005	FY 2006 President	FY 2 * Final –	FY 2 *DPC
Workforce Investment Act				
Adult Employment	898.1	866.0	857.0	987.9
Pilots, Demonstrations, Research	85.8	151.0	29.7	151.0
Youth Activities	994.0	950.0	940.5	1093.4
Office of Disability Employment Policy	47.5	28.0	27.7	47.5
Work Incentives Grants	19.7	19.7	19.5	20.7
DEPARTMENT OF HHS				
Developmental Disabilities Programs				
Basic State Grants – Councils on DD	72.0	72.0	71.8	77.0
Protection & Advocacy Systems -- DD	38.0	38.0	38.7	45.0
University Centers for Excellence in DD	31.5	31.5	33.2	37.0
Projects of Nat'l Signif. & Family Support	11.0	11.0	11.4	22.6
Maternal & Child Health Block Grant	724.0	724.0	693.0	755.0
Centers for Disease Control & Prevention				
Birth Defects, D.D., & Health	124.0	124.0	124.7	135.0
Chronic Disease Prevention	899.0	840.0	836.6	899.0
National Institutes of Health				
Natl. Institute of Child Health and Human Development	1,270.0	1,350.0	1,264.7	1,367.5
Natl. Institute of Neurological Disorders &	1,539.0	1,550.0	1,534.8	1,650.0
Social Services Block Grant	1,700.0	1,700.0	1,683.0	2,380.0
Child Development Block Grant	2,082.9	2,082.9	2,062.1	2,588.0
Protection & Advocacy for Voting Access	4.9	4.9	4.85	10.0
State Grants - Remove Barriers to Voting	9.8	9.8	10.9	25.0
DEPARTMENT OF EDUCATION				
IDEA				
State and Local Grants Part B	10,589.7	11,097.7	10,582.8	14,649.0
Preschool Grants	384.6	384.6	380.8	422.0
Early Intervention Part C	440.8	440.8	436.4	485.0
Personnel Preparation	90.6	90.6	89.7	108.7
Parent Information Centers	26.0	26.0	25.7	28.6
Transition	n/a	5.0	0.0	5.5
Rehabilitation Services Administration				
Rehabilitation State Grant	2,635.8	2,720.2	2,693.0	2,990.2
Rehabilitation Training	38.8	38.8	38.4	42.7
P&A for Individual Rights	16.7	16.7	16.5	22.0
Supported Employment State Grant	37.7	0	29.7	41.4
Natl. Institute for Disability & Rehabilitation Research	107.8	107.8	106.7	110.0
Assistive Technology Act Programs	29.8	0	30.8	31.0
P&A for Assistive Technology	4.4	0	4.45	6.0
DEPARTMENT OF HUD				
Section 811 Supportive Housing	238.0	120.0	236.6	238.0

* Final including 1% across-the-board cut per House/Senate Conference agreement – Numbers unofficial pending agency discretion

* Disability Policy Collaboration recommended funding - Revised 1-6-06

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