

## WOW: Weekly Policy Update 4-20-07

### Call Your Representative Today to Restore Funding to the Women's Bureau

Against the intentions of Congress, Secretary of Labor Elaine Chao has cut money from the Women's Bureau's already meager budget for FY2007. Under the Joint Resolution making continuing appropriations for FY 2007 (H. J. Res. 20), Congress allowed for a Women's Bureau budget at the FY 2006 level, so that the Bureau could continue to operate critical initiatives for working women. However, under its operating plan for FY2007, the Department of Labor cut the Bureau's budget by over \$300,000. This latest attempt to downsize the Bureau has serious negative impacts on the work of the Women's Bureau, and most importantly, on the women workers whose interests the Bureau represents. This week, Congresswoman Rosa DeLauro (D-CT) is circulating a letter calling on her colleagues to demand that the Department of Labor restore funding to the Women's Bureau. **Call your Representative TODAY and ask him or her to sign-on to the DeLauro letter to Secretary Chao!** The letter is attached to this email. Please visit <http://www.house.gov/house/MemStateSearch.shtml> or call the Capitol switchboard at 202/224-3121 for the number and contact information of your Representative. Sign-ons will be accepted until April 25<sup>th</sup>.

Please read on for more information about Equal Pay legislation, a new Mississippi report on poverty, and an audio broadcast on SCHIP coverage of low-income parents.

ON THE HILL ...By a vote of 55-42, the Senate failed to attract enough support to proceed to consideration of a bill (S. 3) that would empower the government to negotiate Medicare prescription drug prices. (It takes 60 votes to invoke cloture and limit debate. The legislation would remove a prohibition in current law that bars the government from negotiating drug prices on behalf of the private plans that administer the Medicare drug benefit. Six Republicans joined all Democrats in supporting the bill, including Senators Collins (ME), Coleman (MN), Hagel (NE), Smith (OR), Snowe (ME) and Specter (PA). The House already passed legislation (H.R. 4) requiring the government to negotiate Medicare drug prices.

Democratic tax writers are said to be hopeful that they can reach a deal on a minimum wage bill that would include about \$5 billion in tax breaks to help businesses affected by the higher pay levels. House Ways and Means Committee Chairman Charlie Rangel (D, NY) met this week with Senator Max Baucus (D, MT) on the tax provisions, which have delayed action on a long-promised \$2.10 per hour increase in the minimum wage.

Senator Ted Kennedy (D, MA) circulated a draft legislative proposal that would cut by \$22.3 billion subsidies to private lenders offering federally backed student loans. The cuts would finance a \$1,090 increase in the maximum Pell grant award over five years; a cap on loan repayments at 15 percent of an individual's income; and a one percent cut in interest rates over five years, among other things. The plan would also launch a pilot "auction" program of PLUS loans offered to parents. It would make lenders compete for the right to offer the federally backed loans, rather than simply setting an interest rate ceiling. The language is being prepared for use in conjunction with negotiations over the reauthorization of the Higher Education Act.

Senator Robert Byrd (D,WV) announced this week that the Senate Appropriations Committee will immediately adopt rules revealing sponsors and recipients of spending earmarks. The proposal would force senators to certify to the committee that they have no financial conflicts of interest involved with the spending projects they propose.

### Senate Committee Considers Equal Pay Legislation

On April 12, the Senate Health, Education, Labor and Pensions Committee held a hearing on the

Fair Pay Act (S. 1087) and the Paycheck Fairness Act (S. 766). The Fair Pay Act introduced by Sen. Harkin prohibits wage discrimination based on sex, race, or national origin among employees for work in "equivalent jobs." Equivalent jobs are those whose composite of skill, effort, responsibility, and working conditions are equivalent in value, even if the jobs are dissimilar. The Paycheck Fairness Act introduced by Sen. Clinton designed to close loopholes that have hindered efforts to secure equal pay for equal work. It will strengthen current laws against wage discrimination by improving Equal Pay Act remedies, making it easier to bring Class Action Equal Pay Act claims, improving collection of pay information by the Equal Employment Opportunity Commission, prohibiting employer retaliation, and closing an affirmative defense loophole in the EPA. To read the full testimony of the witnesses Evelyn Murphy, Founder and President of The WAGE Project, Inc, Boston, MA; Jocelyn Samuels, Vice President for Education and Employment, National Women's Law Center, Washington, DC; Dr. Philip Cohen, Associate Professor and Director of Graduate Studies, Department of Sociology, University of North Carolina, Chapel Hill, NC; and Barbara Brown, Attorney, Paul Hastings, Washington, DC; from the hearing, please visit: [http://help.senate.gov/Hearings/2007\\_04\\_12/2007\\_04\\_12.html](http://help.senate.gov/Hearings/2007_04_12/2007_04_12.html)

Looking ahead to next week ...the House and Senate are expected to revisit the debate over the supplemental war spending bill as an anticipated conference report is expected to make its way to the floors in both chambers. But first, the Senate will debate a bipartisan bill (S. 761) that would establish a number of initiatives intended to make the United States more globally competitive in math and science. The schedule in the House has not yet been made public, but the conference report for the supplemental spending bill is expected on the House floor once an agreement is reached.

IN THE STATES ...

#### **"Is Indiana Getting Its Fair Share? 2006 Federal Programs Available to Help Working Hoosier Families"**

Our IN FESS Partner, the Indiana Coalition on Housing and Homeless Issues has released a new report examining federal tax expenditures in Indiana. The study revealed: (1) Indiana eligible families failed to collect \$112 million in 2004 in the Earned Income Tax Credit, a refundable federal tax credit for working families and individuals who earn less than 200 percent of the Federal Poverty Guidelines; (2) Over 187,000 Hoosiers who earned poverty-level wages and were eligible to receive Food Stamps in 2005 failed to take advantage of this nutrition assistance safety net, amounting in a loss of \$211 million in federal funds to the state of Indiana; and (3) Indiana's schools lagged the national average in providing school breakfast to low income children during school year 2005-2006. If Indiana schools were to increase the participation rate to match top performing states, Indiana would receive an additional \$9.5 million in federal funding and 48,000 additional Hoosier children would be served. The report includes specific recommendations and courses of action Hoosier public officials and policy makers can pursue to increase program participation, increase the amount of federal domestic funds coming into the state so that more Hoosiers become economically self-sufficient. Read the full report at [www.ichhi.org](http://www.ichhi.org).

#### **IA: Senate approves \$10 million tax break for working poor**

The Senate on Thursday approved a \$10 million tax break for the working poor, with backers saying as many as 100,000 lowans could benefit from the reduction and more easily put food on the table. The Senate voted to increase the state's earned income tax credit and make the credit refundable. That means that even those who make too little to have a state tax liability can apply for a refund. To learn more, please visit: <http://www.qctimes.com/articles/2007/04/20/ap-state-ia/d8ok4jn87.txt>

#### **Mississippi: 4 of 10 in state mired in poverty**

A new report from the Mississippi Economic Policy Center (MEPC) notes that more than 40 percent of working families in the state are low-income and more than half of all working families in Mississippi have a parent with no more than a high school education. The report also contains

a wide-ranging set of policy recommendations aimed at workforce training, workforce supports and economic development. An independent, nonpartisan initiative, MEPC is managed by WOW's FESS Partner, the Enterprise Corporation of the Delta (ECD), a regional financial institution and community development intermediary dedicated to strengthening communities, building assets and improving lives in economically distressed areas in the Mid South. As a part of the report, the authors utilized the Self-Sufficiency Wage Adequacy tables to demonstrate the impact of work supports on self-sufficiency needs. To learn more, please visit: <http://www.clarionledger.com/apps/pbcs.dll/article?AID=/20070420/NEWS/704200368/1002/NEWS01> To read the full report, please visit: [http://www.mepconline.com/images/admin/spotedit/attach/0/MEPC - Working Families Report - Web.pdf](http://www.mepconline.com/images/admin/spotedit/attach/0/MEPC_-_Working_Families_Report_-_Web.pdf)

FROM THE INTEREST GROUPS ...

### **American Association of University Women Urging Action for Part-Time Student Assistance Act**

Rep. Rush Holt (D-NJ) will soon be introducing the Part-Time Student Assistance Act, which would allow students to exempt more of their income from student aid calculations, provide more on-campus child care, allow for year-round Pell grants, and create a part-time assistance pilot program to develop comprehensive programming aimed at enrolling and graduating part-time students. Nontraditional students—those who are part-time, working, older, or parenting—face unique challenges as they seek to finance a college education. In light of the increasing number of nontraditional and parenting students, legislation must create programs that help these students enter college, stay in college, and earn a degree. To urge your representative to support increased access to higher education for working and parenting students, you can use AAUW's "Take Action" site by visiting: <http://capwiz.com/aauw/issues/alert/?alertid=9649351>

### **National Women's Law Center Releases New Wisconsin Toolkit for Career and Technical Education**

NWLC's newest Toolkit in the [Tools of the Trade](#) series analyzes Wisconsin career and technical education ("CTE") data and outlines proactive steps for girls, their parents and advocates, educational professionals and state personnel to protect against gender-based discrimination in CTE programs. The number of Wisconsin girls enrolled in CTE programs that are nontraditional for their gender has remained virtually unchanged since the passage of Title IX in 1972. And like the 12 toolkits developed for other states, the [Wisconsin Toolkit](#) analyzes ways in which state laws can be used to open doors for girls to nontraditional training. The Toolkit also suggests ways that Wisconsin may expand already promising programs that expose girls to nontraditional training, and calls on legislators to take all steps necessary to ensure that their laws are comprehensive, effectively implemented and broadly understood by the public. To join in taking a crucial role in making progress in opening doors for women and girls in Wisconsin or in your own state; [join the Open Doors Campaign](#).

### **"Should Parents Be Covered by SCHIP?"**

The Urban Institute hosted a forum on April 12<sup>th</sup> whether SCHIP should be used to cover parents of low-income children. The State Children's Health Insurance Program is up for congressional reauthorization this year and such contentious issues as expanded eligibility are a factor in that debate. You can download the entire program or specific speakers by visiting: <http://www.urban.org/Pressroom/thursdayschild/apr2007.cfm>

### **Complaints Filed with DHHS on Violating Title IX under the Promoting Responsible Fatherhood Initiative**

The Employment and Training Reporter reported on the National Organization for Women and its affiliate Legal Momentum filing complaints with the Department of Health and Human Services alleging sex discrimination in 34 of the first 100 programs funded by the Bush Administration under the Promoting Responsible Fatherhood initiative — including several run by workforce system agencies. The complaints, filed with the HHS Office of Civil Rights, charge that the 34

programs violate Title IX of the Education Amendments of 1972, the federal statute that prohibits sex discrimination in any education program that receives federal funds. The complaints also charge HHS itself with violating the Constitution and Title IX by funding programs whose officials planned to discriminate against women. The complaints cite, among 34 programs, the following: (1) the Detroit Workforce Development Department, given a five-year grant of \$500,000 a year for a Detroit One-Stop Fatherhood Project, which Legal Momentum says was to serve "100 unemployed and low-income fathers"; (2) Community and Economic Development Association of Cook County, Inc., of Illinois, given a five-year grant of \$500,000 a year, whose activities will include, according to the complaint, "providing workforce and economic development services to males to enhance work readiness skills." For more information, please visit: [http://legalmomentum.org/legalmomentum/2007/03/legal\\_momentum\\_and\\_now\\_file\\_co.php](http://legalmomentum.org/legalmomentum/2007/03/legal_momentum_and_now_file_co.php)

IN THE NEWS MEDIA ... First an editorial suggesting that the Census Bureau consider an alternative to counting those in poverty. WOW is submitting a letter to the editor in response. Also, a piece from The Wall Street Journal about the multitude of solutions necessary to improving a lack of well-educated workers.

### **EDITORIAL: Counting the Poor**

Date: Tuesday, April 17, 2007  
Source: The New York Times

It's not official, but it's virtually indisputable. Poverty in America is much more widespread than has been previously acknowledged.

According to the Census Bureau, nearly 37 million Americans -- 12.6 percent of the population -- were living in poverty in 2005. That means that four years into an economic expansion, the percentage of Americans defined as poor was higher than at the bottom of the last recession in late 2001, when it was 11.7 percent. But that's not the worst of it. Recently, the bureau released 12 alternative measures of poverty, and all but one are higher than the official rate.

The alternative that hews most closely to the measurement criteria recommended by the National Academy of Sciences yields a 2005 poverty rate of 14.1 percent. That works out to 41.3 million poor Americans, 4.4 million more than were officially counted. Those higher figures indicate that millions of needy Americans are not getting government services linked to official poverty levels.

The census's official measure basically looks only at whether a family has enough pretax income, plus cash benefits from the government, to pay for bare necessities. The academy's criteria called for adding in the value of noncash government benefits like food stamps, and for subtracting expenses like out-of-pocket medical costs and work-related outlays, including child care expenses.

They also take into account geographical differences in the cost of living and the fact that poverty is relative. To be accurate, a poverty gauge cannot simply measure a family's ability (or lack thereof) to subsist. It must also capture the extent to which the poor cannot afford the requisites of modern life.

All told, under the official measure, the poverty line for a family with two parents and two children is \$19,806. Under the alternative it's \$22,841.

Lawmakers must listen to what the new numbers are telling them and, as a first step, instruct the Census Bureau to adopt the academy's more realistic criteria. They must also realize that

improvements in antipoverty programs -- such as expanding the earned income tax credit for the working poor and providing better early education -- are some of the best investments the nation can make.

### **Column: Lack of Well-Educated Workers Has Lots of Roots, No Quick Fix**

Source: The Wall Street Journal

Date: April 19, 2007

Author: David Wessel

It's a mystery. With all the energy devoted to expanding prekindergarten programs, leaving no K-12 child behind, improving community colleges and sweetening aid for college students, how can the U.S. be short of educated workers?

The shortage is evident from this fact: Employers are paying the typical four-year college graduate [without graduate school] 75% more than they pay high-school grads. Twenty-five years ago, they were paying 40% more.

Why isn't the supply of educated workers in the U.S. growing more rapidly? What should be done about it? [Share your views.](#)

Employers insist on ever better-educated, skilled workers. So this is partly a story about demand. But it is also about supply. The stock of educated workers isn't increasing fast enough to keep up with rising demand.

"This is the first generation of American-born men who don't have substantially more education than their fathers' generation," says Lawrence Katz, a Harvard University labor economist. American women do have more schooling than their mothers, but that's not sufficient to offset what's going on with men.

At the start of the 20th century, most Americans received only eight years of education. Over the next 20 years, as electricity and other technologies increased demand for skills, the American high school was transformed from an institution for the few to a school for the masses. By the end of the 1920s, more than half of all teenagers in the U.S. were going to high school.

"If we'd seen a college movement like the high-school movement, we'd expect half of young Americans to graduate from college. Instead, it's more like 30% or 35%," says Mr. Katz, who is finishing a book with colleague Claudia Goldin on the history of education, technology and wages.

By age 30, Americans born in 1925 had 10.9 years of schooling on average. At the same age, Americans born in 1950, the baby boomers, had 13.2 years. Among today's 30-somethings, those born in 1975 have 13.9 years of schooling on average. That's up a bit, but the quality and quantity of educated workers isn't growing nearly as fast as it did in the past nor as fast as it needs to if the fruits of today's prosperity are to be widely shared.

Other countries aren't standing still. In 1991, observes Harvard economist Susan Dynarski, only Canada and Finland had a higher share of young people with college degrees. The latest

Organization for Economic Cooperation and Development data show more than a dozen countries have equaled or surpassed the benchmark achieved by the U.S. in 1991 -- and six have a higher share of 25- to 34-year-olds with college degrees. [Belgium, Canada, Ireland, Japan, Korea and Sweden.]

The shortage of educated workers doesn't fully explain the widening of the gap between the U.S.'s economic winners and losers. Something else is going on, too. This dynamic doesn't reveal much about why the incomes of the top 1% are climbing so much. Nor does it explain why some college grads do so much better in the job market than others. And it's worth remembering that wages of the average worker with a four-year degree and no graduate work haven't kept up with inflation in recent years; on average, only those with graduate degrees have beat inflation.

But how come the stock of educated Americans is growing so slowly? The birth dearth that followed the baby boom is one cause. Smaller cohorts mean fewer workers; even if a higher percentage of high school grads start college, the overall number is restrained by the demographics.

Another cause is the appalling fact that roughly one in five American 18-year-olds hasn't graduated from high school. With some ups and downs, that's been stubbornly true for the past four decades. Ms. Goldin, who leavens number-crunching with volunteer tutoring at a local high school, speculates that one virtue of the American education system -- there's always a second chance -- may be a vice. "The second chance means teenagers aren't going to push themselves. They'll do it later," she says. But they don't.

And there's this: About two-thirds of new high-school graduates are in college the following fall, but many drop out before completing even a two-year degree or a certificate. The 2000 U.S. Census shows that 43% of those between ages 22 and 34 who report any college attendance didn't get any degree; 13% didn't even finish a single year of college, Ms. Dynarski calculates.

Despite frequent assertions by advocates for one solution or another, there is no one sure cure for this. If only we got more kids into high-quality pre-K, it wouldn't be enough. If only we improved K-12 education, it wouldn't be enough. If only we got more teenagers to finish high school, it wouldn't be enough. If only we guided more community-college students to get marketable skills or to transfer to four-year schools, it wouldn't be enough. If only we made student aid better and easier to navigate so more Americans could finish four-year college degrees, it wouldn't be enough.

We have to do them all.