

PRELIMINARY ANALYSIS OF THE PROPOSED FY 2006 FEDERAL BUDGET

NCLR's initial analysis of the President's budget shows that it is a mixed bag of program cuts, program eliminations, and minor increases to specific programs. For example:

Most education programs are level-funded or eliminated.

- *High School Reform.* The President's budget proposes a new high school initiative which will be funded by eliminating Dropout Prevention, Talent Search, Upward Bound, and GEAR UP. High school reform is critical to Latinos, who have higher dropout rates and lower college participation rates than non-Latinos and have less access to rigorous coursework. Several of NCLR's affiliates, including Hispanic Office of Planning and Evaluation – HOPE (MA), Latin American Youth Center (DC), and LEARN, Inc. (TX), provide services to youth through Talent Search, Upward Bound, and/or GEAR UP. GEAR UP works with disadvantaged middle schoolers to prepare them for completing high school and going to college. Upward Bound and Talent Search work with promising high schoolers. Upward Bound is especially important for Latinos because it is proven to provide them with access to more rigorous coursework, which prepares them for success in college and the workforce.
- *No Child Left Behind Act (NCLB).* The President's budget would provide no increases for bilingual education or parental involvement programs. While there is much debate about the merits of NCLB and how it will impact the public schools, it is clear that NCLB contains provisions that strengthen the federal program for English language learner (ELL) students, now called Language Instruction for Limited-English-Proficient and Immigrant Students. Specifically, NCLB requires schools to help ELLs make strides in acquiring English and improving their reading and math skills. This is critical for Latinos, who make up nearly eight in ten (79%) of all ELLs. In addition, while a system of accountability and assessments is the heart of NCLB, parents are the backbone of this legislation. Under NCLB, schools are required to assess student progress, give parents information about test scores, and provide parents of students in underperforming schools with options, including the right to transfer to another school and the opportunity to obtain extra tutoring for their children. However, it is unclear that parents are receiving sufficient information about their schools to hold schools accountable or to exercise their options. The President's budget would level-fund bilingual education and completely eliminate Parent Assistance Programs.
- *Adult English Language Acquisition and Civics.* The Administration's request provides \$69 million for ESL/Civics, which is a slight decrease from FY 2005. This amount is insufficient to meet the enormous need for English as a Second Language (ESL) and integration services. Enrollment in Adult ESL has increased 105% over the past ten years, yet there is a lack of programs and funding to ensure that all who desire to learn English have access to appropriate services. Community-based organizations must piece together programs with volunteer labor and facilities, while the demand for English-language instruction far outweighs supply. In addition, immigrant communities face the

dual challenge of acquiring English and integrating into the communities in which they work.

Programs serving farmworkers are shortchanged or eliminated.

- *Migrant and Seasonal Head Start (MSHS).* The President's budget provides no new funding to serve farmworker children through Head Start. Currently, only 19% (31,400 out of 161,400) of the children of migrant and seasonal farmworkers have access to the MSHS program, a comprehensive early childhood developmental program which allows these children to exit the fields and enter the classroom. The President's budget would force thousands of farmworker children to accompany their parents into the fields where they may be exposed to pesticides and other occupational hazards. Our recommendation of \$69 million would serve approximately 10,000 more children of migrant and seasonal farmworkers. Many NCLR affiliates provide services with MSHS funds, including Redlands Christian Migrant Council, Texas Migrant Council, Idaho Migrant Council, and Washington State Migrant Council.
- *The National Farmworker Jobs Program.* The President's budget would provide no funding for this program (received \$76 million in FY05). Currently authorized in Section 167 of the Workforce Investment Act (WIA), this program serves the needs of migrant and seasonal farmworkers and their children; the Section 167 program provides English-as-a-Second-Language instruction, job-readiness, and skills training to migrant and seasonal farmworkers. The National Farmworker Jobs Program's 50 nonprofit and public agencies serve more than 25,000 hardworking, impoverished, and mostly Hispanic migrant and seasonal agricultural workers each year. It is the Department of Labor's most effective national job training program, with a success rate exceeding 83%. With help from this unique program, farmworkers often dramatically increase their earnings by entering industries such as health care, transportation, and manufacturing. Eliminating this program means that thousands more will be unable to integrate into the mainstream of American life. NCLR affiliates providing Section 167 services include Maui Economic Opportunity, Inc. (HI), Illinois Migrant Council (IL), NAF Multicultural Human Development, Inc. (NE), Home Education Livelihood Program, Inc. (NM), Rural Opportunities, Inc. (NY), ORO Development Corporation (OK), and United Migrant Opportunity Services, Inc. (WI).
- *National Farmworker Youth Program.* The Administration's budget eliminates funding for this vital program, currently authorized in Section 127 of the Workforce Investment Act (WIA) and which provides tutoring, mentoring, career counseling, job training and health referrals to migrant and seasonal farmworker youth ages 14-21 and to the children of hardworking, often impoverished migrant and seasonal farmworkers. This segment of the youth population has one of the highest high school dropout rates at up to 65%, and this program has shown impact in tackling this serious problem. For example, since the program's inception in 2000, the National Farmworker Youth Program has effectively served more than 13,000 youth. The President's proposal to eliminate Section 127 funding means that even fewer Latino youth will receive the job training support critical

to increasing their self-sufficiency. NCLR affiliates providing Section 127 services include Idaho Migrant Council in Idaho and Rural Opportunities, Inc. (NY).

Health care funding is mixed in the President's budget.

- *Substance Abuse and Mental Health Services Administration (SAMHSA).* The White House budget requested a cut of about \$54 million in SAMHSA. NCLR is extremely disappointed in the Administration's decision to request a reduction in funding for SAMHSA which is already at barebones levels. For instance, an NCLR affiliate, Valle Del Sol, Inc. (AZ), once provided mental health services to senior citizens to mitigate suicide and help Hispanic seniors cope with depression. Due to the budget cuts in 2005, Valle Del Sol was forced to discontinue serving elderly Latinos. Under the President's budget proposal even fewer Latino seniors and workers will be able to receive critical substance abuse and mental health services.
- *AIDS Prevention and Treatment (Ryan White Care Act).* The President requested an increase in funding for the Ryan White Care Act programs and urged reauthorization of the funds in his State of the Union speech. We hope that an increase in funding for this program will be dedicated not just to the AIDS drug assistance program, but also to community-based organizations and health centers that provide AIDS prevention and treatment services, such as Centro de Salud Familiar La Fe, Inc. (TX), which provides HIV/AIDS services with funds under Title III of the Ryan White Care Act. La Fe serves approximately 19,500 patients per year, with total patient encounters at 80,000. Its patient population is approximately 97% Hispanic. La Fe is often a primary health care point for persons at risk of contracting HIV/AIDS.
- *Medicaid Overhaul.* The President's budget proposes a "reform" of the program that would result in a decrease of \$69 million, which presents a real challenge for the Latino community. Latinos have the highest uninsured rates in the country and are already marginalized from our nation's safety-net programs. When applying for insurance programs, like Medicaid, they often face multiple legal, linguistic, and cultural barriers that may delay their entrance into the programs. Medicaid cuts or caps on enrollment will shut the neediest individuals out of the public health insurance system.

Housing counseling funding is slightly reduced.

- *Housing Counseling.* The President's budget reduces funding for housing counseling programs from \$41.7 million in FY 2005 to \$39.7 million in FY 2006. Community-based organizations, often the first point of contact for Hispanic families, are uniquely positioned to assist first-time homebuyers through the homebuying process, and are in the best position to deliver development and homeownership services. Community-based housing counseling agencies also reduce the probability of delinquency. Congress and the Administration must facilitate increased opportunities for training and capacity-building to support the work of existing counseling and community development organizations, as well as expand existing funds for housing counseling at the local level.