



Bipartisan Policy Center Action

March 19, 2026

Senate and House Labor, Health and Human Services, Education, and Related Agencies Appropriations Subcommittee Leadership:

Chair Shelley Moore Capito (R-WV)

Ranking Member Tammy Baldwin (D-WI)

Chair Robert Aderholt (R-AL)

Ranking Member Rosa DeLauro (D-CT)

Dear Chairs Capito and Aderholt and Ranking Members Baldwin and DeLauro:

The Bipartisan Policy Center and its advocacy affiliate, BPC Action, work together with leaders from both parties on solutions to lower the everyday cost of living and create more opportunities for Americans.

We are all familiar with the challenges of rising costs and accessibility of health and child care, learning loss in our public schools, gaps in workforce readiness, and questions about the value of higher education. On behalf of BPC and BPC Action, I am pleased to share our attached recommendations for the Senate and House Labor, Health and Human Services, Education, and Related Agencies Subcommittees, which reflect two themes:

- Prioritizing funding for programs that strengthen American students, families and workers, like Title I and IDEA, childcare and preschool, Pell grants, and job training programs; and
- Investing in a health care system that innovates, prevents chronic disease, promotes public and behavioral health, and supports health care workers, older adults, and caregivers.

To address these and other challenges facing our nation, BPC established the Commission on the American Workforce that developed a [blueprint](#) for a bipartisan national talent strategy to strengthen the workforce, expand economic opportunity, and ensure the United States remains competitive. We look forward to working with congressional leaders to turn these recommendations into action.

Thank you for your consideration. If you have any questions, please reach out to Karen Quarles, Director for BPC Action, at kquarles@bpcaction.org.

Sincerely,



Michele Stockwell
President, Bipartisan Policy Center Action

**FY2027 Appropriations Priorities:
Labor, Health and Human Services, Education, and Related Agencies (FSGG) Subcommittees**

Rapidly rising debt and interest payments are slowing growth and making it more expensive for Americans to buy cars and homes, attend college, or pay off credit cards. To achieve fiscal sustainability, BPC recommends that Congress enact legislation to reduce the growth of mandatory program spending and increase federal revenue. For FY27, at a minimum, Congress should ensure that discretionary spending grows no faster than inflation. At the same time, BPC believes it is achievable to prudently invest in agencies and programs that expand opportunities for American families and businesses.

With these principles in mind, BPC Action respectfully recommends:

DEPARTMENT OF LABOR

Federal job-training programs housed in the Department of Labor are not only underfunded but also in need of reform. In the last Congress, House and Senate authorizers were close to adopting a reauthorization of the Workforce Innovation and Opportunity Act but were unable to complete their work. In the absence of an update to WIOA this year, it is important that workforce development funding be increased to meet the current needs of workers and employers. We, however, cannot lose sight of the need for real reform, which is a key part of our Commission's work.

Ensure that Funding Formulas for State UI Administration Reflect Current Needs and Costs

The Department of Labor's Employment and Training Administration should periodically update the factors used to calculate Unemployment Insurance (UI) administration costs in its annual justification to Congress to reflect current program needs. To support this effort, Congress and the department should align funding decisions with these updated analyses and adjust appropriations as needed to meet states' administrative requirements.

Dedicate Funds so States Have Sufficient Resources to Conduct Consistent Technology Modernization

States receive funding for day-to-day UI administration rather than long-term technological improvements. Congress should add a dedicated funding line to DOL's SUIESO budget to ensure that states receive consistent, predictable, and adequate resources to modernize technology. States' eligibility for funding should be contingent on adopting systems to combat fraud and enhance fair and efficient administration; ongoing eligibility should be tied to regular progress reporting and effective use of funds.

Fund Initiatives to Support the Increasingly Collaborative UI System

The department's UI National Activities should receive additional funding to support initiatives that enhance the overall functioning, integrity, and efficiency of the UI system, including NASWA's Open UI initiative and Login.gov.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Congress should prioritize investments in the Department of Health and Human Services that deliver strong health outcomes, help Americans thrive, and reduce waste and improve efficiency. The administration and Congress must ensure that critical programs fulfill their missions and address the high health- and aging-related costs that add to the cost of living.



Supporting Older Americans and Family Caregivers

Preserve the Administration of Community Living's Mission and Priorities

The Older Americans Act (OAA) established the Administration on Aging within HHS to administer most OAA-funded programs. For more than a decade, this agency has operated under the Administration for Community Living. Federal investment in social and nutrition services is essential to keeping older Americans healthy and independent. OAA funding supports critical programs and services for seniors and their family caregivers, including Area Agencies on Aging, family caregiver supports, and transportation services, among others. We strongly urge the committees to renew and maintain funding levels for OAA programs.

Maintain Funding for Outreach and Education Programs

The Medicare Improvements for Patients and Providers Act (MIPPA) supports targeted outreach and education for Medicare beneficiaries—especially those with low incomes or living in rural areas—on programs that can help reduce Medicare costs, including Medicare Savings Programs and Medicare Part D Low-Income Subsidy. Specifically, MIPPA funding provides critical support to State Health Insurance Assistance Programs, area agencies on aging, and Aging and Disability Resource Centers/No Wrong Door Systems. To help the nation's seniors connect with resources that reduce out-of-pocket Medicare costs, we support continued funding for MIPPA programs through the end of 2027.

Support for the Interagency Coordinating Committee on Healthy Aging and Age-Friendly Communities (ICC)

The Older Americans Act (OAA) reauthorization in March 2020 established the ICC to develop a coordinated approach to addressing key areas related to healthy aging and age-friendly communities. These include coordinated housing and supportive services; aligned health care and supportive services; age-friendly communities; and increased access to long-term services and supports. Support for the ICC would enable it to enhance coordination among its [18](#) federal partners, ensuring strategic alignment on federal initiatives to address challenges posed by the nation's rapidly aging population.

Support the Administration for Children and Families Programs to Assist Older Americans

The Administration for Children and Families (ACF) provides essential services, such as transportation, nutrition programs, fall prevention initiatives, and independent living supports, that help prevent unnecessary institutionalization and promote health and well-being. We request that your subcommittees adequately fund ACF as it continues to provide necessary services for older adults and individuals with disabilities.

Specifically, we support funding for nutrition services, preventive fall services, and [the protection and advocacy \(P&A\) system](#), which serve as resources for states working to provide services to Americans with disabilities.



Preventing Chronic Disease and Protecting Public Health

Dedicate Appropriate Resources to Reverse the Chronic Disease Epidemic

Reversing the chronic disease epidemic is critical to ensuring good long-term health outcomes and reducing the fiscal burden on the nation's health care programs. We urge the subcommittees to maintain funding for the National Center for Chronic Disease Prevention and Health Promotion, and the Prevention and Public Health Fund—both essential tools to combat the chronic disease epidemic. We urge the committees to fund activities of the Older Americans Act related to nutrition to combat chronic disease—specifically Title III for congregate and home delivered meals and Title VI for nutrition services for older Native Americans.

Supporting the Nation's Health Care Workforce

Maintain Funding for the Health Resources and Services Administration

The Health Resources and Services Administration programs play a critical role in supporting the health care workforce needed to tackle the nation's behavioral health challenges and in supporting rural communities. HRSA's behavioral health workforce programs allow for the training, placement, and retention of professionals across a range of care settings, including primary care. Continuation of these initiatives is needed to address persistent workforce shortages and expand their overall reach. Additionally, HRSA funding supports the rural health care workforce and technical assistance to improve rural hospital quality and performance.

Key programs include the Rural Residency Planning and Development Program, the Maternal and Child Health Block Grant, and the Medicare Rural Hospital Flexibility Program. Without federal support, rural communities risk losing health clinics, hospitals, and essential health care workers. We strongly recommend that the committees maintain these critical HRSA programs and provide the resources necessary to address the nation's behavioral health needs and protect rural access to care.

Behavioral Health

Provide Robust Resources for the Substance Abuse and Mental Health Services Administration

Programs administered by the Substance Abuse and Mental Health Services Administration (SAMHSA)—including the Community Mental Health Services Block Grant, the Substance Use Prevention, Treatment, and Recovery Services Block Grant, and the State Opioid Response program—form the foundation of the public behavioral health infrastructure. While we support maintaining funding for these programs to help states address local needs, invest in evidence-based practices, and expand access to care, BPC believes there are opportunities to increase efficiency and streamline redundant programs. [We have previously identified similar “opioids related” programs](#) across agencies and departments that share goals and recommended that funding for those programs be braided to drive coordination.

To help address the ongoing youth mental health crisis, one solution would be to allocate at least 5% of the Community Mental Health Services Block Grant to support early intervention services for young people at risk of serious emotional disturbance or serious mental illness.



Support the Administration for Children and Families Programs on Youth Mental Health

Behavioral health support is also essential for young people involved in or at risk of entering the child welfare system. Programs administered by the Administration for Children and Families (ACF) help states integrate behavioral health services into their child welfare systems and promote trauma-informed care. These efforts are particularly vital for foster-involved youth, who experience disproportionately high rates of mental health and substance use challenges. We urge your subcommittees to protect ACF's mission to support the health and mental well-being of America's youth.

[One action](#) to improve coordination and move toward better health outcomes could be for ACF and the Centers for Medicare & Medicaid Services to issue joint guidance to strengthen collaboration between state Medicaid and child welfare agencies. This guidance should seek to strengthen youth mental health promotion, substance use prevention, and early intervention efforts.

Supporting Innovation and Research

Strategic investments in innovation and research are critical to maintaining U.S. leadership in areas such as artificial intelligence and biomedical research. We support targeted investments in the National Institutes of Health (NIH), including the Office of Nutrition Research, as aligned with the Make America Healthy Again agenda. To bolster U.S. leadership on artificial intelligence, we also support NIH initiatives such as Bridge2AI and AIM-AHEAD, which develop public datasets to train AI models and expand access to training and computing resources. Additionally, we support funding for the Advanced Research Projects Agency for Health (ARPA-H) programs, including PRECISE-AI, which focuses on monitoring and correcting performance issues; ADVOCATE, which aims to transform advanced cardiovascular disease management with agentic AI; and PARADIGM, which builds scalable platforms to deliver hospital-level services in rural communities. Continued support for the Agency for Healthcare Research and Quality is also critical, particularly for programs like the Digital Healthcare Research Program and the Patient Safety Organization Program.

Program Integrity

Support the Health Care Fraud and Abuse Control Program

We support efforts to combat fraud and abuse in the health care system. The Health Care Fraud and Abuse Control (HCFAC) program coordinates federal, state, and local law enforcement activities on health care fraud and abuse. [According to the Office of the Inspector General](#), civil health care fraud settlements and judgments under the False Claims Act exceeded \$1.8 billion in FY2023, in addition to other health care administrative impositions won or negotiated by the federal government. Continuing this program will lead to more dollars recovered from fraud and abuse, which could be transferred back to the Medicare Trust Fund to promote solvency.

Child Care

Increase Child Care and Development Block Grant Funding to Cover More Eligible Children

The Child Care and Development Block Grant (CCDBG) is the primary federal funding stream for child care and has historically received broad, bipartisan support. Funding for states is determined using a data-driven formula based on the number of children under age 13 in the state, alongside other demographic data. The program currently serves fewer than one-quarter of eligible children due to chronic underfunding. We ask for a total of \$12.4 billion to move funding closer to serving all eligible children.



Increase Head Start Funding to Strengthen School Readiness for Low-Income Children

Head Start—including Early Head Start and Early Head Start–Child Care Partnerships—helps children from low-income families build the early learning foundations needed to enter kindergarten prepared to succeed. The program provides high-quality early education, along with health, nutrition, and family supports that strengthen school readiness and promote healthy child development. We urge your committee to provide at least \$955 million above FY26 enacted levels for Head Start in FY27, bringing the total to approximately \$13.3 billion.

Provide Dedicated Child Care Facilities Funding

While investments in facilities are critical, they are often not feasible for providers who are operating with razor-thin profit margins. Consequently, providers often lack the capital to fund investments that prioritize facility repairs or new construction. Without the support of Congress, child care businesses will be unable to provide the necessary investments, and parents, especially those in rural areas, will lack access to care. We encourage your committee to provide dedicated funding for facilities.

Expand Access for Preschool Development Block Grants Birth through Five (PDG B-5)

PDG B-5 enabled states to create and strengthen early childhood systems during the pandemic, which proved crucial for expanding access to care for working families, increasing parental choice, addressing deteriorating infrastructure needs, improving data systems, and enhancing the quality of early childhood systems in ways that work for their communities. We ask that you maintain support for the program and provide the current level of funding, \$315 million.

Enhance Federal Supports for Tribal Child Care Funding

Unlike CCDBG state-based awards, funding for tribes is based on a flat percentage, irrespective of the tribal child count. Allocating funding to tribes based on a flat percentage is inconsistent with the allotment mechanism for states and does not meet the needs of American Indian/Alaska Native (AI/AN) children. Funding should be aligned with child count data and need.

DEPARTMENT OF EDUCATION

Our top priority must be to improve educational outcomes so that all students have an opportunity to succeed and thrive. As a nation, when we have made education a bipartisan priority, we focused on improving outcomes, strengthening accountability, upholding civil rights, and working together to ensure student performance rises and achievement gaps close. That must be our focus now. Transferring the administration of programs under the Department of Education's purview to other departments, and other changes to the Department's organization, without congressional authority, may negatively impact student needs and high-quality program management. Organizational changes made without bipartisan congressional authority may create more federal bureaucracy and make the system harder for students, teachers, and families to navigate and get the support they need. These changes are also likely to be more complicated for states.

We believe it is in the best interest of students and the states and localities that serve them to prevent additional confusion and ensure stability in the administration of federal programs. This is especially so with programs that serve students with disabilities and students in K-12. To that end, we ask that your committee ensure, at a minimum, these programs are not disrupted by separating them into different



agencies; these are the same students, in the same schools, all working to achieve educational standards and expectations. The committee should work together in a bipartisan manner to focus on the critically important tasks of meeting the needs of students and improving education for all Americans.

Serve High-Need Students and Communities by Protecting Title I and IDEA Funding

Title I funding remains essential for schools serving our nation's most economically disadvantaged students, providing flexible resources that help close persistent resource and achievement gaps, especially in districts and schools with limited or no ability to access or increase local funding. Title I can fund as much as 10% of a school's budget in high-poverty areas. Funded at \$19 billion for FY26, this investment should be protected.

Similarly, the Individuals with Disabilities Education Act (IDEA) deserves strong support as these funds, along with state and local resources, enable schools to provide specialized instruction and services that help students with disabilities achieve their full potential, honoring our national commitment to educational opportunity while reducing financial pressure on local districts. In addition to supporting critical services for students in K-12, resources from Parts B and C bolster early intervention services and supports that increase the likelihood of success when those children enter kindergarten, consistent with BPC policy favoring a strong early learning infrastructure for children.

Maintain Investments in Public School Choice

Furthermore, strengthening our investment in public school choice programs presents a bipartisan opportunity to support innovation while maintaining accountability within public education. Magnet schools have proven effective at reducing segregation while offering specialized curricula that prepare students for future careers in high-demand fields; the Magnet Schools Assistance Program was funded at approximately \$109 million in FY2026. Likewise, the Charter Schools Program - funded at a record \$500 million in FY2026 - enables the opening of innovative public schools that are held accountable for their success, allowing successful practices to be identified and potentially scaled to benefit the broader public education system. By strategically maintaining and building on these FY2026 funding levels, Congress can demonstrate its commitment to both educational excellence and equitable opportunity for all American students.

Protect Research and Transparency

We are grateful for Congress's continued support of the National Center for Education Statistics, the National Assessment of Educational Progress (NAEP), and the Institute of Education Sciences (IES) in the FY 2026 budget. This funding is essential to maintaining the nation's ability to collect rigorous, nonpartisan education data and conduct the research that policymakers, educators, and families rely on to make informed decisions.

For IES, we recommend an increase of \$110 million for a total appropriation of \$900 million and a requirement that a portion of funds be used for rapid-cycle evaluations, technical assistance, and data infrastructure investment, including the Accelerate, Transform, and Scale (ATS) Initiative.

More specifically, we support sustained funding to collect, analyze, and make publicly available education data, including the Common Core of Data and EDData. Additionally, increased support for strengthening NAEP as proposed by the National Assessment Governing Board, including improving accessibility of data,



faster turnaround time, and a state-level 12th grade assessment. These investments will improve transparency and our understanding of the impact of successful state and local policies.

The State Longitudinal Data System (SLDS) program also supports state investments in data systems to collect and report data across multiple state programs. To support these investments, we urge increased funding for this program to \$60 million to ensure sufficient funds for a new grant competition to upgrade and modernize state P-20 Workforce systems. These systems are important to update as states implement new Workforce Pell and higher education metrics to evaluate return on investments. Designing and implementing SLDS is resource-intensive, and federal investments help ensure a certain level of quality to better serve parents and other educational system stakeholders.

Protect and Expand Pell Grant Funding

The Pell Grant program is the principal federal source of need-based grant aid and is critical for making college accessible to low-income students. The program's financial situation has grown increasingly urgent: despite a one-time \$10.5 billion injection through recent reconciliation legislation, the Congressional Budget Office's February 2026 baseline projects the program will end FY2026 with a \$5.5 billion shortfall, and that figure is projected to reach \$11.5 billion by FY2027 if Congress does not act. Program costs have grown from \$21 billion in 2021 to a projected \$35 billion in 2026, reflecting both rising enrollment and the growing need of students served. BPC recommends that Congress address this structural funding gap to ensure students continue to receive the need-based aid for which they qualify.

Support Student Parents to Stay in School

Child Care Access Means Parents in School (CCAMPIS) is the sole federal program intended to provide supplemental support to student-parents from low-income backgrounds to help them access child care while participating in postsecondary education. As the only program intended to support this student population, CCAMPIS funding promotes the upskilling of the American workforce and is vital to enabling more parents to engage in and achieve higher education. We recommend increasing funding for this program by \$15 million in FY26, bringing the total allocation to at least \$75 million.

Lastly, we recommend that Congress ensure that funded programs are adequately staffed to ensure timeliness in funding and technical assistance, as well as grant competitions.

SOCIAL SECURITY ADMINISTRATION

BPC recommends that the Committee provide **robust funding for the Social Security Administration by increasing its base Limitation on Administrative Expenses (LAE)**. Sustained investment is essential to ensure timely and high-quality customer service, safeguard sensitive beneficiary data, and prevent fraud. Moreover, as record numbers of Americans continue to claim Social Security benefits each year, it is critical that beneficiaries receive clear information about how their claiming decisions affect the size of their monthly benefits. To that end, BPC recommends including at least **\$10 million** in dedicated funding to improve SSA's communication with individuals considering when to claim old-age benefits. This funding should support the adoption of clearer, more intuitive claiming terminology—consistent with the intent of **H.R. 5284** and **S. 1504**—and enable updated systems and publications, as well as expanded outreach, education, and decision-support efforts to help beneficiaries choose the claiming age that best fits their individual circumstances.

