

Expanding Opportunities for Latino Families

Having emerged from the worst recession in generations, the President has put forward a plan to rebuild our economy and win the future by out-innovating, out-educating, and out-building our global competitors and creating the jobs and industries of tomorrow. But we cannot rebuild our economy and win the future if we pass on a mountain of debt to our children and grandchildren. We must restore fiscal responsibility, and reform our government to make it more effective, efficient, and open to the American people. The President's 2012 Budget is a responsible approach that puts the nation on a path to live within our means so we can invest in our future – by cutting wasteful spending and making tough choices on some things we cannot afford, while keeping the investments we need to grow the economy and create jobs. It targets scarce federal resources to the areas critical to winning the future: education, innovation, clean energy, and infrastructure. And it proposes to reform how Washington does business, putting more federal funding up for competition, cutting waste, and reorganizing government so that it better serves the American people.

Latinos will continue to drive the growth of the labor force in the coming decades – as they will account for 60 percent of the Nation's population growth between 2005 and 2050 – so how Latinos recover from this recession is of both immediate and long-term importance to our economy. To give Latino workers, entrepreneurs, and families the tools that they need to succeed, the Budget will:

Spur Job Creation and Support Strong Economic Growth. While the economy has added jobs for each of the last 12 months, too many Americans families are still hurting and the unemployment rate is unacceptably high. That is why the Administration is continuing a series of targeted steps to spur job creation and economic growth in the short term in a fiscally responsible way. As 2010 ended, families across the Nation faced the prospect of rising taxes. The Administration not only prevented a tax increase, but also negotiated a series of measures to create jobs and protect vulnerable populations most affected by the recession by extending unemployment benefits for 13 months, preventing an estimated 7 million workers from losing their benefits as they search for jobs; allowing businesses to expense 100 percent of certain investments, which is estimated to generate more the \$50 billion in additional investment and fuel job creation; and continuing the Research and Experimentation Tax Credit and Renewable Energy Grants, which accelerate the growth of these promising industries and allow them to hire more workers. The Budget also proposes an upfront investment of \$50 billion in infrastructure as part of a new surface transportation bill that will result in additional job creation from projects that improve the Nation's highway, transit, rail, airport, and air traffic control systems, making the U.S. more competitive going into the future.

Support Business Growth and Lending in Low-Income and Minority Communities. Even in the more constrained budget environment, the Administration continues to support robust funding of programs that improve the availability of credit in underserved and lower-income communities, and includes initiatives targeted to improving financial literacy and increasing the availability of healthy foods in areas now lacking them. For example, the Budget provides \$227 million for the Treasury Department's Community Development Financial Institutions (CDFI)

Fund, which provides capital to low-income communities across the Nation and is targeting a portion of its funds to help bring grocery stores and other healthy food retailers to underserved urban and rural communities. To assist entrepreneurs to start businesses and create jobs in inner cities, the Budget also includes \$3 million to continue SBA's Emerging Leaders (formerly Emerging 200) initiative. The Budget also funds several initiatives designed to promote entrepreneurship in underserved areas including the Small Loan Advantage and Community Advantage programs and the Small Business Investment Company (SBIC) Impact Fund debenture program, which will support impact investments that target residents of economically distressed regions or owned by a socially or economically disadvantaged group. The Budget also maintains funding for the Minority Business Development Agency through the Department of Commerce.

Help States Provide Paid Family Leave to Workers. Too many families must make the painful choice between the care of their families and a paycheck they desperately need. The Family and Medical Leave Act allows workers to take job-protected unpaid time off, but millions of families can't afford to use unpaid leave. A handful of States have enacted policies to offer paid family leave, but more States should have the chance. The Budget supports a \$23 million State Paid Leave Fund within the Department of Labor that will provide competitive grants to help States that choose to launch paid-leave programs cover their start-up costs.

Boost Funding for Workplace Safety. The Budget includes a \$67 million (4 percent) increase for the Department of Labor's worker protection agencies to make sure they have the resources to meet their responsibilities to the Nation's workers. The Budget also provides an additional \$25 million the Occupational Safety and Health Administration to enforce workplace rules and another \$6 million to protect workers who report violations from retaliation. The Mine Safety and Health Administration is also provided with a \$23 million increase in funding to enforce mine safety and health laws and reduce the backlog at the Federal Mine Safety and Health Review.

Equip American Workers to Compete and Win in the Global Economy. In this increasingly interconnected global economy, it is important that we give American workers the capabilities and American businesses the tools to compete and win in the global economy. We must transform our economy from one too focused on speculation, spending and borrowing to one that is educating, innovating and building. The Administration is committed to smart investments in a lifetime of learning that will improve the capabilities of our workforce. The Budget proposes to:

- *Establish a Competitive Early Learning Challenge Fund.* Recognizing that quality early education is an investment that pays off for years to come, the Administration proposes creating a competitive fund to encourage States to take dramatic steps to improve the quality of their early childhood development programs.
- *Improve Elementary and Secondary Education.* Too often, education funds are allocated based on factors not tied to success. In the context of the reauthorization of the Elementary and Secondary Education Act, the Administration is committed to consolidating narrow programs into broader authorities with higher, clearer standards and assessments; recognizing and rewarding schools that help students make gains; and

giving States and school districts new flexibility to help all students graduate from high school, college- and career-ready. The Budget proposes to do this by expanding the successful Race to the Top program to school districts, funding the Investing in Innovation program and creating new “pay for success” bonds that invest in proven innovative approaches to student learning.

- *Consolidate Redundant and Stove-Piped Programs to Improve Outcomes.* The Budget proposes eliminating 13 Department of Education discretionary programs and consolidating 38 K-12 programs into 11 new programs that emphasize using competition to allocate funds, giving communities more choices and using rigorous evidence to fund what works. The Administration will make sure that, under these competitions, there is an equitable geographic distribution of funds nationwide.
- *Give Students Access to Successful Schools.* The Budget provides significant funding to school turnaround grants to help States and school districts turn around our Nation’s lowest performing school and expand educational options by helping to grow effective charter schools and other autonomous public schools that achieve positive results.
- *Improve Job Training.* The Budget provides funding for a competitive Workforce Innovation Fund that will allow States and localities to create and test new ideas and strategies for delivering better employment and education results and provides nearly \$10 billion to fund Workforce Investment Act (WIA) programs to match unemployed people with jobs and give people with skill gaps the training they need to secure employment. The Administration will also work with Congress to reform the WIA to better meet the needs of employers and regional economies.

Improve Access to Higher Education for Students from Minority Backgrounds. The Budget makes a \$1.2 billion investment in developing Hispanic Serving Institutions through the Department of Education. The Budget also invests \$150 million in a new initiative to increase college access and completion and improve educational productivity, which will help America restore its international leadership in the number of students graduating college. The proposal introduces into the Fund for Improvement of Postsecondary Education an evidence-based framework, enabling the Fund to become a postsecondary "Investing in Innovation" program that will test, validate, and scale up effective approaches. In addition to these competitive grants, the Budget also provides \$50 million in 2012 and a total of \$1.3 billion over five years in performance-based funding to institutions that have demonstrable success in enrolling and graduating more high-need students and enabling them to enter successful employment and includes \$40 million for a new competitive grant to improve and expand teacher education programs at minority-serving institutions, a significant pipeline for preparing a diverse teaching force.

Increase the Number of Math, Science, and Engineering Graduates. If the United States is going to create the industries of tomorrow and the jobs that come with it, we need to continue to invest in educating the scientists and engineers who will develop these breakthroughs. The Budget provides \$146 billion for research and development overall and maintains funding at \$100 million for science, technology, engineering, and math (STEM) and Articulation Programs at Hispanic Serving Institutions. In cooperation with the Department of Education, NSF's

Teacher Learning for the Future program will fund innovative efforts that design, develop, implement, and test new teacher-training programs. To bring undergraduates from groups historically underrepresented in STEM fields, the Budget also doubles funding to \$26 million for an overarching, comprehensive science and technology workforce program. These programs will be developed in conjunction with a government-wide effort to improve the impact of Federal investments in math and science education by ensuring that all programs supporting K-12 and undergraduate education adhere to consistent standards of effectiveness.

Expand Access to Higher Education by Putting Pell Grants on Firm Footing. Since 2008, the Administration has increased the maximum Pell Grant by \$819, ensuring access to postsecondary education for over nine million needy students. The Budget maintains this commitment by sustaining the \$5,550 maximum award to support the President's 2020 higher education goal. To pay for this expansion, the Budget also supports the urgent enactment of a new Pell Grant Protection Act that makes the tough choices needed to fully fund the \$5,550 maximum award in the coming years. These steps include eliminating the poorly targeted in-school interest subsidy for loans to graduate students and ending the costly new year-round Pell Grant, which offers students a second Pell Grant in one year but has cost ten times more than anticipated and failed to demonstrate a meaningful impact on students' academic progress. This approach fully funds anticipated growth in the Pell Grant program over the next decade, and the Administration will work with Congress on a responsible approach to budgeting for unanticipated growth.

Support Learning Among Migrant Children. The Budget includes \$395 million to support high quality education programs for migrant children to help them overcome the unique challenges they face due to frequent moves among the States with disparities in curriculum, graduation requirements, or State academic content and student academic achievement standards. Funds promote coordination of services and sharing of records across States so that migrant children not only are provided with appropriate education services (including supportive services) that address their special needs but also that such children receive full and appropriate opportunities to meet the same challenging State academic content and student academic achievement standards that all children are expected to meet.

Support the DREAM Act and Comprehensive Immigration Reform. Today, there are hundreds of thousands of students excelling in our schools who are not American citizens. Some are the children of undocumented workers, who had nothing to do with the actions of their parents. They grew up as Americans and pledge allegiance to our flag, and yet they live every day with the threat of deportation. Others come here from abroad to study in our colleges and universities. But as soon as they obtain advanced degrees, we send them out of the country to compete against us. It makes no sense. That is why this Administration strongly supports the DREAM Act as well as a broader immigration reform; it's important to our economic competitiveness, military readiness, and law enforcement efforts. And as the non-partisan Congressional Budget Office reported, the DREAM Act alone, as approved by the House of Representatives in a bipartisan vote in December 2010, would have cut the deficit by \$2.2 billion over the next 10 years.

Promote Citizenship and Integration. Welcoming new Americans is important for the future of our country. The Administration increases support for integration of new immigrants,

proposing \$20 million to promote citizenship through education and preparation programs, replication of promising practices in integration for use by communities across the Nation, and expansion of innovative English learning tools. The Budget also maintains funding for the Department of Education's Office of English Language Education State Grants.

Increase Funding for Migrant and Seasonal Farmworkers Employment Program. The Budget includes a \$2 million increase from the 2010 enacted funding level – for a total of \$87 million -- to provide grants to community-based organizations and public agencies that assist migrant and seasonal farmworkers and their families attain greater economic stability by providing career guidance, training, and supportive services, including housing assistance. The additional funding in 2012 will allow grantees to serve more participants and expand their outreach and recruitment activities.

Strengthen Anti-Discrimination Enforcement. Even in these fiscally constrained times, the substantial investments that have been made by the Administration to strengthen civil rights enforcement against racial, ethnic, sexual orientation, religious, and gender discrimination continue in the 2012 Budget. The Administration also proposes an increase for the Community Relations Service in the Department of Justice to fight hate crimes and provides an \$18 million, a 5 percent increase over the 2010 enacted level, for the Equal Opportunity Employment Commission (EEOC), which is responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee. This investment will allow EEOC to add additional staff to reduce the agency's backlog of private sector charges of discrimination.

Maintain Affordable High-Quality Primary and Preventive Care. Health centers are a key component of the nation's health care safety net. These sites offer comprehensive, high quality, primary and preventative health care services to all Americans regardless of ability to pay. Health centers will continue to be a critical element of the health system as the Nation expands insurance coverage through the Affordable Care Act (ACA). In 2009, the Recovery Act provided \$500 million to expand health center services to an additional 2 million patients. The ACA continues this progress by investing a total of \$2.2 billion in new resources for health center services in 2011 and 2012. The Budget builds on this investment by providing an additional \$2.1 billion. In 2012, health centers are estimated to serve 24 million patients.

Prevent Hunger and Improve Nutrition. At a time of continuing need, the Budget provides \$7.9 billion for discretionary nutrition program support. Funding supports 9.6 million participants in the WIC program, which is critical to the health of pregnant women, new mothers, and their infants and young children. The Administration supports implementation of the Healthy, Hunger-Free Kids Act of 2010, strengthening the child nutrition programs and increasing children's access to healthy meals and snacks. As the Supplemental Nutrition Assistance Program (SNAP) continues to serve an unprecedented number of participants, the Administration re-proposes to temporarily suspend the time benefit limits for certain working-age, low-income adults without dependents for an additional fiscal year. The Budget also proposes to restore the SNAP benefit cuts that were included in Child Nutrition reauthorization. In order to combat food deserts, the Administration provides \$35 million in the Office of the Secretary and other funds in Rural Development and the Agricultural Marketing Service to support USDA's portion of the Healthy Food Financing Initiative. The funding will

provide grants, loans, loan guarantees, and other assistance to expand retail outlets for farm products in food deserts.

Help Families Care for Aging and Disabled Relatives. The Budget includes \$96 million for the Administration's Caregiver Initiative, an effort to expand help to families and seniors so that caregivers can better manage their multiple responsibilities and seniors can live in the community for as long as possible. Without creating new programs, this initiative provides new resources to support the network of agencies in local communities across the country that already provide critical help to seniors and caregivers.

Promote Affordable Homeownership and Helps Families Stay in Their Homes. The Administration projects that the Federal Housing Administration (FHA) will insure \$218 billion in mortgage borrowing in 2012, supporting new home purchases and re-financed mortgages that significantly reduce borrower payments. FHA financing was used by 38 percent of all homebuyers, 60 percent of African American homebuyers and 61 percent of Hispanic families who purchased homes in 2009. It is a critical financing source for first-time homeowners; roughly 30 percent of who use FHA insured financing. The Budget also includes \$168 million for housing and homeowner counseling through HUD and the Neighborhood Reinvestment Corporation (NeighborWorks). Over half of these funds are dedicated to foreclosure assistance. NeighborWorks' National foreclosure Mitigation Counseling program has assisted over 1 million households since its inception in 2008.

Revitalize Distressed Urban Neighborhoods. The Budget reflects an integrated and performance-driven approach to distressed urban neighborhoods, where the challenges tied to jobs, education, public safety, and other needs intersect and compound each other. The Budget provides \$250 million for the Choice Neighborhoods initiative to continue transformative investments in high-poverty neighborhoods where distressed HUD-assisted public and privately owned housing is located, a significant increase from the 2010 enacted level. The Budget will reach 5 to 7 neighborhoods with grants that primarily fund the preservation, rehabilitation and transformation of HUD-assisted public and privately-owned multifamily housing, and will also engage local governments, nonprofits, and for-profit developers in partnerships to improve surrounding communities. The Budget also increases funding for the YouthBuild program in the Department of Labor that helps low-income young people ages 16-24 finish high school and learn job skills by building affordable housing in their communities.

Preserve Affordable Rental Opportunities. The Budget requests \$19.2 billion for the Housing Choice Voucher program to help more than two million extremely low- to low-income families with rental assistance live in decent housing in neighborhoods of their choice. The Budget funds all existing mainstream vouchers and provides new vouchers targeted to homeless veterans, families, and the chronically homeless. The Administration remains committed to working with the Congress to improve the management and budgeting for the Housing Choice Voucher program, including reducing inefficiencies, and re-allocating Public Housing Authority reserves based on need and performance. The Budget also provides \$9.4 billion for Project-Based Rental Assistance to preserve approximately 1.3 million affordable units through increased funding for contracts with private owners of multifamily properties. This critical investment will help extremely low- to low-income households to obtain or retain decent, safe and sanitary housing.

Help Communities Become More Sustainable and Livable. The Budget sustains support for the multi-agency Partnership for Sustainable Communities, which aims to lower the cost of living while improving the quality of life for families and is one of the pillars of the Administration's place-based agenda. The Budget includes \$150 million to create incentives for more communities to develop comprehensive regional and local housing and transportation plans that result in sustainable development, reduced greenhouse gas emissions, and increased transit-accessible housing. Over 100 such grants have recently been awarded across the country by HUD, the Department of Transportation, and the Environmental Protection Agency, and the additional funding proposed will enable more communities to benefit.